

years, already 6 miles of the glacier at its edge is receding. How it recedes is, it breaks off, and in the particular fjord or river we went to, we could see these big chunks of ice falling off the glacier into the fjord, floating down the fjord, and out into the Atlantic Ocean.

When they get into the Atlantic Ocean, they are what you have always heard, an iceberg. What we saw as we went around these icebergs in a little boat, huge mounds of ice, but that is only 10 percent of it above the surface of the water. Ninety percent is underneath. Then they get on out into the Atlantic and they melt.

The long and short of it is, if that entire glacier on Greenland were to melt—this is going to surprise you—the seas of the entire planet would rise 21 feet.

Now, obviously that is going to take a long period of time. But you can imagine if we do not reverse what, in fact, is happening—and do not give me this stuff that one person says global warming is true and another person says it is not true and the press treats it as if one is balancing against the other.

No; 99.99 percent of the scientists say global warming is a fact. A de minimis amount say it is not. Let's recognize the science, and this is where you have seen that major committee in the United Nations receive one-half of the Nobel Prize, along with the former Vice President of the United States.

Global warming is a fact. You can imagine if seas start to rise. Suppose they rise, not 21 feet but 3 feet. Do you know what would happen to the coast of Florida? To the coast of Louisiana? To parts coming in around Hilton Head and Charleston and Houston and even all the way up the eastern seaboard?

The stakes are too high. That is why I am cosponsoring this bill. This bill made some progress last week when it was approved by a subcommittee on the Environment and Public Works Committee. The full committee should be taking it up soon. I hope we get action and we can get out on the floor of the Senate and debate it.

I hope to be able to bring to this debate the information of a bunch of us, led by Senator BOXER, who are going to go to Bali, Indonesia, for a global conference for world climate change to get the input of the other nations of the world that have shown they are a lot more concerned about this than the United States has been in the last few years.

I wish to thank our colleagues, all who have been involved. I wish to thank Senator BOXER for her leadership. I wish to thank Senator WARNER, who did not have to do this; he is retiring from the Senate, the senior Senator from Virginia. He is a conservative Republican, but he knows that planet Earth is in peril.

I wish to thank Senator LIEBERMAN, who has been at the forefront of these environmental issues for years. I am

glad to add my voice to their clarion cry for immediate action before it is too late.

I yield the floor and suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HARKIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

#### CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Morning business is now closed.

#### FARM, NUTRITION, AND BIOENERGY ACT OF 2007

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will proceed to the consideration of H.R. 2419, which the clerk the report.

The assistant legislative clerk read as follows:

A bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

#### AMENDMENT NO. 3500

Mr. HARKIN. Mr. President, I have an amendment at the desk.

The ACTING PRESIDENT pro tempore. The clerk will report.

The Senator from Iowa (Mr. HARKIN), for himself, Mr. CHAMBLISS, Mr. BAUCUS, and Mr. GRASSLEY, proposes an amendment numbered 3500.

Mr. HARKIN. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(The amendment is printed in today's RECORD under "Text of Amendments.")

Mr. HARKIN. Mr. President, that was simply the House bill that came over and was at the desk. On behalf of Senator CHAMBLISS, myself, and others, I offer the substitute amendment as the Senate-passed bill. That is what is now pending at the desk.

Today begins the deliberation and amendments on the 2007 Food and Energy Security Act, otherwise known as the farm bill.

I intend to take some time to lay out basically the farm bill and the different titles, some of the things we did in committee, approaches that were done in the past, and what we are looking at in this farm bill. So I will take some time this afternoon to do that.

As I understand it, under the previous order, there will be no amendments in order today.

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. HARKIN. It will be opening statements on the bill itself, and we

will proceed to amendments tomorrow at whatever time the Senate convenes.

Mr. President, on behalf of the Senate Committee on Agriculture, Nutrition, and Forestry, I am pleased to bring to the floor the Food and Energy Security Act of 2007, which enjoys broad bipartisan support among all our committee members. In fact, we reported it out by voice vote without a negative vote among the Senators who were present. We had a quorum present.

I thank our ranking member, the senior Senator from Georgia, SAXBY CHAMBLISS, for his leadership and partnership in producing the bill, along with the chairman and ranking member of the Finance Committee, Senator BAUCUS and Senator GRASSLEY, as well as chairman of the Budget Committee, Senator CONRAD.

We generally refer to this legislation as the farm bill. But that title doesn't do justice to the range and scope of the bill. Yes, the bill helps farmers and ranchers who produce an abundance of food and fiber and are contributing ever more to our Nation's energy security. The bill also helps conserve and protect the environment on tens of millions of acres of farmland, rangeland, and wetlands. It is the most important legislation to allow millions of low-income American families put food on the table. It is the single most important legislation for boosting economic growth in jobs and improving the quality of life in rural communities across our Nation.

We have faced a huge challenge in writing this legislation this year. When we wrote the last farm bill in 2002, we had about \$73 billion of new money over 10 years to invest. But for this bill, this year, we barely had any funding above baseline. Fortunately, we have had some help from the Finance Committee in obtaining additional funds. We have also reexamined all of the spending in our baseline to come up with budget offsets. We have combined these funds and produced what I believe is a forward-looking bill to make historic investments in energy, conservation, nutrition, rural development, and promoting better diets and health for all Americans. It also maintains a strong safety net for America's farm producers.

The bill looks to the future and creates new opportunities in agriculture and rural communities. Yet I emphasize that this bill complies with the strict pay-as-you-go budget rules we adopted earlier this year.

This legislation continues a strong system of farm income protection. It is a truism that we have heard many times but "no farms, no food." Our Nation needs programs that will help farm and ranch families survive the inevitable downturns in markets, disasters, and crop failures. We need these programs so that the cycles of markets and weather do not force out of agriculture people who are so vital to grow food, fiber and, increasingly, energy for our Nation.

You will notice I referred to cycles in agriculture. That is why I have long been a strong supporter of what is commonly called countercyclical income protection programs for our farmers and ranchers. That is a type of program that pays adequately when farm income falls. Yet it is careful with taxpayers' dollars when farm income is good. Because a countercyclical program is good common sense, I have never been a fan of direct or, as they came to be known in the mid-1990s, freedom-to-farm payments that were enacted in the 1996 farm bill.

Since the freedom-to-farm payments or the direct payments are not countercyclical, what we have found is that they help too little when times are bad for farmers, but they are very hard to justify—direct payments to farmers—when we may be having record prices and high incomes. How can you justify giving sort of “free money” when times are good? So, in my view, a very positive feature of the bill is that we continue the countercyclical income protection system we reinstated in the 2002 bill. We allow farmers at their option to choose a new program, called “average crop revenue,” modeled after legislation introduced by Senators DURBIN and BROWN. This new choice for farmers will make farm income protection stronger and more flexible. It will allow farmers better to manage their farm's risk in today's uncertain and evolving farm economy.

Our legislation also includes other improvements in countercyclical income protection. It is reinstituting a higher payment rate in the Milk Income Loss Contract program, or the MILC program, and adjusting certain target prices and loans.

I will explain why I stress the countercyclical elements in this legislation. The farm programs are supposed to be about income protection, helping farm and ranch families survive cycles of hard times—the ravages of wind and weather, pestilence—and to stay in business.

The farm programs are not supposed to be just about USDA commodity program payments and trying to maximize those payments regardless of income. Now, it is true that for over 70 years Federal price and income supports have been the dominant feature of U.S. food and agriculture policy. Yet it is a mistake to suggest that farm program payments are somehow the most important contributor to the past success of American agriculture or to its success in the future. A lot of times, people say these farm programs in the past have been a great success. Look what they have done to help us become the leader in the world in terms of agricultural production. Well, they have been helpful but not the most important.

The most vital elements in the success of American agriculture has been the skill, the dedication, and the hard work of the men and women and families on farms and ranches across the Nation, and also all of the people who

develop and supply technology and other production requirements, such as all the new hybrids that have come in in the last 30 to 40 years that increased production exponentially; and, of course, the highly productive land and climate with which our Nation has been so blessed. Thanks to those factors, agricultural productivity—get this—rose some 116 percent from 1960 to 2004, while in other U.S. industries it rose 13 percent. So there has been a 116-percent increase in productivity of agriculture and only 13 percent in the rest of the American economy.

So while this legislation we have today is vitally important, let us not forget the true sources of America's agricultural strength and abundance. For those reasons, I strongly believe that, in addition to a solid countercyclical farm income protection system, we must also make investments to help U.S. agriculture succeed in the future, as I will explain in a moment.

One area in the bill where we are reaching out to help agricultural producers is in initiatives for growers of what we call specialty crops—fruits, vegetables, tree nuts, other horticultural or floricultural crops. Past farm bills focused heavily on a few crops that have come to be known as storable commodities, most notably cotton, rice, corn, soybeans, and wheat, which are, of course, vitally important. However, according to USDA, specialty crops now account for roughly 50 percent of the total value of U.S. crop production.

In this bill before us, we include a dramatic increase in our assistance to specialty crop producers but not in the form of subsidies or payments. They have not asked for those. This legislation will help our Nation's specialty crop growers address the very diverse challenges they face in today's complex and global marketplace.

The programs within this bill will help America's specialty crop producers gain access to overseas markets where they can promote and sell their products. It will also strengthen our national prevention and surveillance system for invasive pests and diseases, which will help protect the stability and health of fruits and vegetables in this country. And, of course, we increase research on specialty crops to prevent the spread of plant-based viruses. For instance, the Clean Plant Network, for which we include \$20 million over the life of the bill, will be a tremendous help to our orchard and nursery industries. The Clean Plant Network establishes a national system of diagnostic and research facilities to help ensure that our orchards and nurseries have the safest plant materials possible to grow the fruits and vegetables we need.

We also provide a significant amount of money in this bill to address the trade-related challenges of U.S. specialty crop producers. The current trade deficit for specialty crops in the United States is roughly \$2.7 billion. In

other words, we import \$2.7 billion more in fruits and vegetables, horticulture, items such as that, than we export.

The Market Access Program at USDA provides funding to nonprofit agricultural trade associations and agriculture cooperatives to help promote U.S. agricultural products overseas—in other words, to try to get that balance of payments more in line. The bill invests an additional \$94 million in the Market Access Program, which brings the program up to almost \$240 million a year. Again, this program has been tremendously popular among specialty crop producers who receive nearly 50 percent of the MAP funding.

The bill also makes crucial investments in the prevention of invasive pests and diseases. A total of \$200 million in new funding is provided for a pest and disease program at USDA to enter into cooperative agreements with State departments of agriculture that conduct early plant pest detection and surveillance activities.

To some, the farm bill may seem an abstraction, removed from the pulse of everyday life, but this is not the case. The farm bill touches the lives of millions of Americans every single day, and nowhere is this more evident than in the nutrition title of the farm bill.

In the nutrition sections of this bill, we strengthen America's commitment to fighting hunger and promoting sound health and nutrition. By strengthening food assistance to low-income Americans, the bill that is before us will help millions of Americans who currently live daily in the shadow of hunger. Because of the assistance this bill provides, millions of Americans will put food on their tables, will be better able to afford childcare so they can enter the workforce, will be able to save modest sums for retirement or for the education of their children, and because of this bill, millions of low-income children in schools throughout America will be introduced—some perhaps for the first time—to fresh fruits and vegetables that science tells us are critical to sound health and prevention of diet-related chronic diseases.

The current USDA nutrition assistance programs need to be modernized and strengthened. Nowhere is that more evident than in the persistence of the term “Food Stamp Program.” We have all heard of food stamps, even though food stamps, the paper coupons, have long since gone by the wayside. So we renamed it the “Food and Nutrition Program.” It is no longer the “Food Stamp Program,” it is the “Food and Nutrition Program.” We update it in a number of important ways.

We made some progress in the 2002 farm bill, but the economic challenges of low-income Americans, in many respects, multiplied in recent years.

Since 1999, the number of Americans experiencing food insecurity has increased from 31 million to 35 million. Similarly, between 2000 and 2006, median household income in the United

States, adjusted for inflation, actually decreased. Over the same period, the number and percentage of American children living in poverty increased. So USDA food assistance has not kept up with inflation or changes in the real world. For example, because of budget cuts enacted in the mid-1990s, the purchasing power of USDA food benefits has continued to erode with each passing year. Similarly, despite growing recognition that low-income Americans require the same incentives to save for their future as others, current rules all but force low-income Americans to spend down their meager savings to rock bottom before they are eligible to receive food assistance during times of insecurity.

These punitive rules on family assets have not been meaningfully addressed since the late 1970s. Let's take the case of a single mother who is working and has a couple of kids. She may be working at a low-income job, but she has put away a little bit of money for a rainy day. She loses her job. Something happens, and she is temporarily unemployed and needs to have food assistance for herself and her children. Right now, she has over \$2,000 in savings. She is ineligible for any food assistance. That \$2,000 was set in the 1970s and has barely been increased since. If it had kept up with inflation, that would be about \$6,000 now. That is one of the items we address in this bill.

Finally, as more and more low-income women have entered the workforce in recent years, Congress has often spoken of the need to support families during this transition from welfare to work, but our actions have not suited and matched our rhetoric. For example, despite the fact that childcare is critical to successful participation of women in the workforce, when calculating income for a household to qualify for food assistance and to set benefit levels, no more than \$175 per child per month can be counted as childcare costs despite the fact that the average monthly cost of childcare in 2006 was well over \$600.

So I am proud to say this bill addresses all of these issues. It stops the erosion and even increases food assistance for most recipient families. It reforms the asset rules by increasing the asset limit modestly. I wish we could have done more. We just didn't have the money for it, but we did increase it. We also adjusted for inflation. We exempt tax-deferred retirement accounts and education savings accounts from the asset limit. We take that off the table.

It promotes work by allowing the full deduction of childcare costs. They get to deduct that cost. There is no more \$175 limit. Whatever your childcare costs, you get to deduct it. I again thank the administration. In their farm bill they proposed earlier this year, this is also one of the key features of the administration's policy, to take away that limit on the childcare deduction.

Fighting hunger and food insecurity is the central mission of the farm bill's nutrition title, but it is not the only mission. In this title, we also seek to address poor health and nutrition among America's children. Much has been said and written about the sad state of nutrition among our kids, manifested in rising rates of type 2 diabetes, cardiovascular disease, and a national epidemic of childhood obesity.

In this bill, we act to improve child nutrition with a major expansion of the Fresh Fruit and Vegetable Program for schools. I was able to initiate this program in the 2002 farm bill.

I have always believed that one of the reasons kids don't eat fresh fruits and vegetables is because they simply don't have the opportunity to do so. I figured, let's give them an opportunity and see what happens. So we began by providing fresh fruits and vegetables—free, I might add—free fresh fruits and vegetables to 100 schools in four States and one Indian reservation. We wanted to test it: What would happen if we gave free fresh fruits and vegetables to kids at school—not in the lunchroom, but when they get the growlies at 9 o'clock in the morning or in the afternoon when they get a little tired or antsy, kids need something to eat. What if they had fresh fruits and vegetables available at those times? What happened is the kids, the teachers, the principals, the parents all loved this program. Not one of the schools that has participated in this program—and it is all voluntary, no one is forced into it—not one school that has participated in this program has asked to drop out. In fact, every school that has participated has begged to stay in it.

By 2005, because other States were clamoring to get into the program, and other schools, we expanded to 10 States and two more Indian reservations. That is how successful it has been. In those States in which we do have the program, the schools that are not getting the free fresh fruits and vegetables are lining up saying: We want it also.

We have seen the positive effects it has had. Kids no longer are eating junk food. Kids are no longer sneaking candy and cookies. They are no longer going to vending machines to get some sugary snack. They are eating fresh fruits and vegetables.

In this bill, we make a quantum leap forward for this program. The bill provides \$1 billion—that is right, \$1 billion—over 5 years to expand the Fresh Fruit and Vegetable Program to reach nearly 4.5 million children nationwide, with a special focus on high-poverty school districts.

I wish to emphasize that point. I have been to some of these schools where they have the free fresh fruit and vegetables program. I can remember being in one school where some of the fourth-grade kids had never had a fresh apple in their entire lifetime—fourth grade; fresh bananas, they never had such a thing. I remember I was at a class one time, and they had fresh

pears. The kids didn't even know what they were—kiwi fruit, strawberries. I remember I went to a school in Iowa once—and our schools let out in the summer after the first crop of strawberries is harvested. The principal told me that by 10 a.m. in the morning, there wasn't a strawberry left in school. Kids eat these fresh fruits. I have actually seen with my own eyes kids eat fresh broccoli. That may come as a surprise to some people, a shock, that kids actually eat fresh broccoli. I have actually seen kids eat fresh spinach.

Because of the popularity of the program, because it has grown, some of the marketers are now packaging fruits and vegetables just for this program, so the kids get a little plastic package, they rip it open, and they have enough in there for a little snack. As I said, it has taken off. It is providing better health, better nutrition for kids. They study better. They behave better.

There was some reticence when we started this program. Teachers said: Oh my gosh, kids will be throwing peels on the floor, apple cores at each other, making a mess of everything. This has not happened. In fact, teachers are now some of the strongest supporters of this program.

So when you go into these schools, you can see these kids eating these foods, ripping open a package and getting little baby spinach leaves, and they have a little tin of ranch dip, they dip it and eat it. I always said I didn't like broccoli until I had fresh broccoli. Who likes cooked broccoli and cooked spinach? It is not good for you. It may be good for you, but fresh is very good.

I emphasize this point because we are expanding this program. I have a goal I have stated, and as long as I am here, I am going to keep fighting for that goal; that is, to make sure this program is available to every elementary school in America within 10 years. I think it will do more to prevent childhood obesity, provide better health, plus when kids start eating these fruits and vegetables—and we have some anecdotal evidence of kids who are eating fresh fruits and vegetables, and they go home and ask their parents: Can we have some of this at home or they go to the store with their parents, when they go shopping, and say: I had this in school, I really liked this fruit or I like these vegetables, can we have this at home? It is going to do a lot for helping get at this problem of childhood obesity and some of the chronic diseases, such as diabetes, among younger kids.

Now, I wish to talk a little bit about the energy title, another very important and kind of a new area for agriculture. The energy title will help farmers in rural communities across the country join in a major transition in which our agricultural sector supplies clean biofuels and renewable energy for all of America. It gives farmers a chance to add biomass crops to their farming operations, with Federal

support to protect against the financial risks associated with the transition. It supports rural communities with the development of biorefineries for the production of biofuels and bioproducts. It helps farmers and ranchers and rural small businesses that want to improve their own energy systems through grants and loan guarantees for energy efficiency improvements and renewable energy systems. It emphasizes a particular opportunity—help for farmers and communities to install livestock manure to energy facilities that address environmental and odor problems, while utilizing a valuable energy resource. It will make investments in research that will complement and enhance rural energy production opportunities. Members of the Senate are well aware of the disastrous consequences of America's dependence on foreign oil. No less an authority than Alan Greenspan has said the war in Iraq is about oil. At the same time, with oil prices relentlessly approaching \$100 a barrel, our dependence on foreign oil is a threat to both our national security and the health of our economy.

The bigger picture is that new oil discoveries around the world are steadily declining at the same time that global oil consumption is rising. I have a chart to indicate that. These are the billion barrels of oil per year in discoveries, and we can see in the 1930s, the 1950s, a huge increase, the 1960s, the 1970s a little bump up there with Alaska, and then we keep coming down. We can see that global oil discoveries are rapidly, rapidly, rapidly declining. At the same time, we superimposed on that this red line showing consumption. So as the oil discoveries are going down, look at our consumption. It keeps going up and up and up.

Well, the Petroleum Council's report delivered to the Department of Energy this past summer states that:

It is a hard truth that the global supply of oil and natural gas from the conventional sources relied upon historically is unlikely to meet the projected 50- to 60-percent growth in demand over the next 25 years.

Well, our country needs energy. We need energy to grow and to produce. We need energy for the new kinds of manufacturing we are going to have in this country, for transportation. It is an urgent national priority to accelerate our transition from oil to home-grown, farm-based renewable sources of fuel and electrical power. If we reach our full potential in producing renewable biofuels using feedstocks from our farms and forests, we can replace as much as 30 percent of our transportation fuels by 2030—by 2030.

Right now, current ethanol production is about 7 billion gallons annually. I believe we are headed toward a production of 60 billion gallons of biofuels, requiring 50 to 100 million acres of crop lands dedicated to biomass crops by the year 2030. These charts show the sharp upward trajectory of biofuels over the past 5 years and with the contributions we are making in this bill.

So here is what we have done in biofuels. It doesn't go back very far. If you go back to about the late 1980s, early 1990s—millions of gallons. Not very much. But look at the sharp curve up as we came up in the late 1990s into 2000 and 2005. Then let us look at the projections. Here we are at 2005, and here is 2030 at 60 billion gallons per year. So that is the trajectory. That is the trajectory we are basically on and a lot of us are committed to. Senator LUGAR and I have a bill in that basically—and others have cosponsored it—to mandate we reach that level by 2030.

Well, the energy title in this bill allocates \$1.1 billion over 5 years for new investments in farm-based energy. It is imperative we accelerate the transition of biofuels produced from cellulosic feedstocks, in addition to grains and oilseeds, if we want to get to that 60 billion gallons per year. And here, in addition to speeding up the development and evaluation of conversion technologies, we also confront a classic chicken-and-egg dilemma. Entrepreneurs would not build cellulosic biorefineries in the absence of reliable feedstock. Producers would not grow the cellulosic feedstocks unless and until there are biorefineries to produce them. Well, in this bill we address this dilemma very aggressively.

On the supply side, we allocate \$130 million over 5 years to the biomass crop transition program. We know it takes a few years to get crops, such as switchgrass or miscanthus or soft pine or fast-growing poplars or whatever it might be, to get them started and established, so farmers are going to need financial assistance during the transition. That is what we provide in the Senate bill.

On the other side, on the demand side, we allocate \$300 million to support grants and loans for biorefinery pilot plants, loan guarantees for commercial biorefineries, and support for repowering existing corn ethanol plants and other facilities so they can process cellulosic ethanol.

In addition, we continue the CCC Bioenergy Program with \$245 million to support feedstock purchases for advanced biofuels production. We continue the section 9006 program of grants and loan guarantees that we put in the 2002 farm bill. This is for farmers and ranchers to purchase renewable energy systems or energy efficiency systems for their own farm or ranch. The budget for this is \$230 million, double what we put in the farm bill in 2002. We are including about \$140 million for biomass research, including biomass crop experiments.

A large part of the future of biofuels lies in the use of cellulosic feedstocks. Cellulosic fuels, biofuels, can be produced just about everywhere in the United States. This will expand biofuels production beyond our major corn-producing regions and to places closer to where the fuels are blended and consumed.

I will make this prediction. If we can preserve the Senate energy provisions

in conference—maybe get some additional funding for them, which we will try to do—I predict that within 5 years, by the end of the life of this farm bill, we are going to see cellulosic biofuel refineries sprouting up akin to mushrooms all over this country. That will help restore our energy security and our national security. It is good for the environment and good for farmers and the rural economy.

Now, let me talk a little bit about another important part of this farm bill, and that is the conservation title. Agriculture and forest lands account for 69 percent of all the land in the United States. That means farmers, ranchers, and forest landowners are the first line of defense for our environment. They are America's first conservationists. The conservation title of this bill gives them the tools they need for voluntary efforts to conserve oil, to protect water and air quality, to increase wildlife habitat on their land, and maintain and improve our Nation's natural resources for future generations.

The conservation programs are similar to a toolkit to address conservation needs, from the basic function of providing technical assistance on how best to, for instance, protect the waterway from erosion and runoff, to paying for easements, to protect wetlands and grasslands or working farmland that is under the threat of development, to cost-share incentive payments and enhancement payments to help farmers build and adopt new conservation practices.

This bill looks to the future in preserving our natural resources by allocating \$4 billion in new budget authority for the conservation title. This is extraordinarily important to the future of farming in the United States. I am pleased we were able to accomplish so much with relatively limited funding. For example, the Wetlands Reserve Program had no baseline to continue to enroll wetlands after this year, so we had to put in new money for that. The Grassland Reserve Program was also out of funds to enroll new land. We had to put new money in for that. The Conservation Security Program's funding had been cut by billions, almost \$4 billion over the last 5 years, to pay for agricultural disasters and budget reconciliation. We needed to restore sufficient funding to allow the program to enroll more acres nationwide, and I am pleased to say we have successfully resolved all of these funding challenges.

In addition to maintaining or expanding existing programs, we addressed some new needs in this bill. For example, here in the mid-Atlantic area, where Washington, DC, is located, we devote \$165 million to improving conservation to help clean up the Chesapeake Bay. This is money that will be used for upland treatment so all that runoff would not be going into the Chesapeake Bay.

In the Southeast, in order to provide better wildlife habitat, we provide

funding to improve the management of trees planted on Conservation Reserve Program acres. I am pleased to join with the committee's ranking member, Senator CHAMBLISS, who was the basic mover behind this.

The conservation title also establishes new incentives for producers to allow voluntary public access to their land for hunting, fishing, and other wildlife-related activities. Senator CONRAD has been a leader on this issue. I am pleased to have cosponsored his legislation, and we have included it in this bill.

The conservation title also makes important policy changes. We have worked to streamline the process to acquire conservation easements in the Wetland Reserve Program, the Farmland Protection Program, and the Grassland Reserve Program. That process has been paper heavy since the beginning. In this bill, we have addressed that to cut down on the paperwork.

In this bill, we make significant improvements in the Conservation Security Program, which was created in the 2002 farm bill to reward farmers and ranchers for good conservation practices on working lands. Now, this was new in the 2002 farm bill. In the past, most conservation programs were lands that were taken out of production, in one way or the other—wetlands, grasslands, the CRP and others. But as we saw more and more land coming into production, a lot of it for ethanol production, more and more marginal lands started coming in and we had to do something about that. In this bill, the program was renamed the Conservation Stewardship Program to reflect the goal of the program to promote the long-term benefits to our Nation by adopting and maintaining good conservation practices.

We have yet to realize the full potential of the Conservation Stewardship Program because of tight restrictions on funding that excluded many producers. Regulations only allowed certain farms and acres to be enrolled in certain designated watersheds every year. In addition, the process resulted in some kinds of crops and production techniques being largely excluded from the program, such as organics, for example. Well, the new Conservation Stewardship Program will eliminate these shortcomings. It will grow rapidly, at a pace of more than 13 million acres a year, which, with the 15 million already enrolled, will total 80 million acres in 5 years.

Acres will be allocated to States based not on watersheds but simply on each State's share of the national eligible acres. Within each State, enrollment will be accomplished through a ranking process that will prioritize producers who are already doing good conservation and who are willing to do even more.

Again, I emphasize that this program we started in 2002 is going to grow rapidly, as I said 80 million acres, and the idea behind it basically is to reward

farmers for being good conservationists—those farmers who practice good tillage methods, conservation tillage, who put buffer strips along rivers and streams; those who apply the right amount of fertilizer, not excessive amounts of fertilizer that can run off into our rivers and streams, polluting the Chesapeake Bay and other places.

So again, the idea is to reward good stewardship of our land, and I think it is a good investment. I think it is one that will be broadly supported by the American people. As I said, these kinds of conservation programs are more important than ever. The rising demand for commodities is bringing millions of acres into production. A lot of land that was in the Conservation Reserve Program is now coming out.

We can't force people into the Conservation Reserve Program, and we don't have enough money to bid everything back into it. So if that land is going to be planted for some kind of crop production, then we better help ensure it is done in a conserving manner. So we provide the incentives in the Conservation Stewardship Program to make sure they get the technical assistance, the cost-share, and the payments to prevent erosion and runoff.

As we look to the future, we have to look at these conservation programs not only as a boost to the environment and cleaning up our environment but as a WTO, a World Trade Organization-compliant, non-trade distorting way of assisting farmers and ranchers.

I got the idea for this Conservation Security Program—now renamed Conservation Stewardship Program—traveling through Europe in the late 1990s and looking at their farms and being amazed at the countryside. Then I looked at how much money European countries were giving to help their farmers—a lot more than we were—for conservation. I had to figure this out. How were they providing so much money to farmers—more than we were—but they didn't violate trade rules? Yet the money we were giving to farmers violated trade rules.

It was simply they were making "green payments" to farmers—payments to their farmers for conservation—cleaning up rivers and streams. Green payments. Green payments are under the "green box" of WTO, and it is WTO compliant. So we do not violate any of our agreements under WTO by providing farmers incentives for good conservation.

Now, I mentioned earlier that one element has been overlooked seriously in our farm bills in the past. We put a little bit in the 2002 farm bill dealing with organics, and that was a cost-share for the organic certification. But the fact is, organics is the fastest growing sector in U.S. agriculture. The demand for organic products is so great that it far outpaces our domestic supply. Much of that \$2.7 billion of products, all agricultural products coming into this country over what we send out, is organics. I have had people in

the organics food business, who sell organic foods, say they can't get it locally; they cannot get it in this country, so they have to import it. Well, we don't have enough farmers getting into organic production, so imports pick up the slack. In this bill, we make it a priority to help farmers who are serious about getting into organic food production, and we help them overcome the challenges of transitioning into this industry.

We include \$80 million over 5 years for research into organic production and marketing. We include \$5 million for price yields and overall data collection, which we don't even know about. We remove the 5-percent surcharge arbitrarily charged to organic producers who want to reduce their risk by buying crop insurance. Crop insurance had a 5-percent surcharge on it. We removed that. We make EQIP more universally available for farmers to transition into organic agriculture.

Now, one of the problems in organics that we have had is for a farmer to get certified to be organic, you have to have at least 3 years of not using pesticides, that type of thing.

During that 3-year period the farmer cannot sell into the organic market, and receive higher prices, yet still is bearing the costs of making the transition to organic production.

So we have provided some cost-share assistance to help farmers adopt sound conservation practices that are part of the transition to organic production. If they are serious about becoming organic producers, we will provide help in pursuing that opportunity.

Let's also talk about the assistance in this bill addressing global hunger and malnutrition through our food aid and development assistance programs, another part of our bill. We are very proud that over the last half century the United States has been the world's leading donor of food to hungry people. That is a source of great pride to us. U.S. programs are estimated to have helped more than 3.5 billion people over that period. I firmly believe our humanitarian activities throughout the developing world continue to be an essential component of our long-term effort to combat poverty and to build bridges of goodwill to foreign countries. It is a shocking fact that in the 21st century there is an estimated 800 million hungry people in the world, nearly half of them children.

In April, the Government Accountability Office released a study on how to improve the targeting and efficiency of U.S. international food aid programs, a study that Senator CHAMBLISS and I requested last year. I am pleased to report that the agencies involved in the delivery of U.S. food aid are on a path to adopt most of the recommendations made by the GAO. Some of the other recommendations, those that require statutory changes, are addressed in this bill.

We set aside a specific amount of funding under title II food aid for non-emergency development assistance

projects. The creation of this "safe box," as it is called, is intended to send a strong message that it is not acceptable for USAID to use nonemergency program funding as the piggy bank to raid if regular appropriations for title II emergency programs are inadequate. It is shortsighted to withdraw assistance from hungry people struggling to break the vicious circle of poverty in order to provide food to even hungrier or more desperate people. To me, this approach is like using one family's seed corn to feed another family. In the end, both families are left hungry, and the first family's efforts to lift themselves out of poverty are hindered. So we address that in this bill.

The trade title also gives USAID authority for a pilot program to conduct local or regional cash purchases of food. For the last few years, the President has requested authority to use up to 25 percent of title II funds for local or regional cash purchases, but this concept needs careful testing before we consider adopting it on a larger scale. I also want to make clear that I see local cash purchases as a complement to donation of U.S. commodities, not as a substitute.

As I have already noted, the funding for this new farm bill is extremely tight, so we were limited in what we could do to increase resources for international food aid. However, the title containing food aid provides an increase for the amount that can be spent in transporting U.S. food commodities under the Food for Progress Program from the current \$40 million annually to \$48 million.

The Food for Progress Program is aimed at improving economies and helping to build democratic institutions in developing countries and in Eastern European countries transitioning to democracy. Obviously, we would have liked to do more to increase funding for the Food for Progress Program.

I also would have liked to have provided mandatory funds for the excellent McGovern-Dole International Food for Education and Child Nutrition Program, which I helped to establish in law in the 2002 farm bill. The McGovern-Dole program is designed to encourage children in developing countries to go to school and stay in school by providing them free or subsidized food. It has a lot of similarities to the School Lunch Program in this country. In its brief lifetime, the program has helped 19 million kids attend and stay in school in developing countries.

Think about it this way. In the United States, we provide free and reduced-price school lunches all over America and they help families a great deal. We may not think so much about the impact of that because in the overall economy of our nation food costs only about 10 percent of our disposable income on food. In some of the poorest countries, where food may consume perhaps 60 percent or more of disposable income, providing free food to

children who attend school is a very big benefit to that family. That food can be the magnet that gets children out of an abusive child labor situation and into school. So it is a great program.

I remember when both Senator Dole and Senator McGovern came to see me about it in the late 1990s, trying to get it into the next farm bill, which we did, and their hopes and dreams for it. I still think if we can put the money into this program and grow it, it could be one of the best things we could do to fight hunger and poverty, to end child labor and to root out some of the harsh economic conditions, anger and frustration that may even lead some to turn to terrorism.

Despite limited new funding, I am proud of the work we have done on food aid and other trade issues in this bill.

We also in this bill help promote farmers markets, which are expanding all over the country. I can remember barely 10 years ago in my State of Iowa you could probably count the number of farmers markets on both hands. Now they are all over. In the Washington, DC, area, and other metropolitan areas, in the last several years we have seen farmers markets springing up all over the place. People want to purchase fresh, locally grown food. However, these are very challenging enterprises. They require grassroots organizing, planning and advertising; farmers have to be recruited; there are regulatory and logistical challenges.

In both the 2002 farm bill and this new farm bill, I have worked to help people overcome some of these barriers to establishing successful farmers markets. In the 2002 farm bill we added a program called the Farmers Market Promotion Program to help people develop and organize farmers markets and to enable direct producer-to-consumer market opportunities. In the legislation before us, we include \$30 million for the life of the bill for these types of activities.

Too often farmers can and want to expand production of foods to be sold locally, but they face difficulties finding markets. Larger retail outlets want consistent supplies and abundant quantity, which is something a small farmer just can't provide. This bill seeks to solve this problem by fostering new opportunities for farmers to band together, providing funding through the value-added product market development grant program, as well as loans through the Business and Industry Loan Program. The idea is to promote what we call aggregators, where farmers who grow produce—vegetables or fruits or whatever it might be, or maybe they want to do some free-range chickens or organic meat or something like that—can join together to tap into bigger markets. What we need are aggregators who can go out to this farmer and that farmer and that farmer and say: OK, you bring your beets here and you bring your beets and you bring your beets or you bring your car-

rots or you bring your eggs or whatever it is. We put them together, and then we can sell them to larger buyers.

That is what we have done in this bill to promote and make it easier for farmers to get their produce to farmers markets.

For rural communities, as we seek to promote new opportunities in production agriculture, we have to realize the success of our farm households is tied not only to what is produced on the farm but the strength of the surrounding economy—rural economic development. Currently, more than 80 percent of total farm household income comes from sources off the farm.

I have a chart that shows that. It is amazing when you look at it. The percent of farm household income from off-farm sources 2 years ago: in the Northern Great Plains, 69.3 percent; in the Heartland, where I am from, Iowa, 66.7 percent; Mississippi Portland, 90.1 percent; Southern Seaboard, 94.9 percent; Northern Crescent, 85.2 percent. I guess we would probably be the least, in the Heartland, 66.7 percent. So even in our area, two-thirds of farming comes from off-farm income sources.

Again, 9 out of 10 people who live in rural America are not farmers. So our committee has a responsibility for crafting public policies that support not only farmers but all of our citizens who live in small towns and rural communities.

Rural America confronts unique challenges because of its low population density, the limited capacity of local governments and other special circumstances. In recent years we have come to appreciate that agriculture and rural development are closely intertwined. They have a common fate. We need to go forward with a policy framework that supports both our farms and our rural economy.

For years many economic development leaders have been frustrated that we have failed to create a more comprehensive approach to rural economic development. That is why I am excited about the Rural Collaborative Investment Program in this bill, which received \$135 million in funding over 5 years. This new program provides Federal support for regional collaboration. It is becoming clearer to us that no one rural town or county can go it alone. Rural areas must work together regionally to scale up investments, build competitive economic clusters, and overcome geographic disadvantages.

The Rural Collaborative Investment Program awards innovation grants on a competitive basis to regions that creatively leverage these funds with other Federal, State, private, and philanthropic resources.

It provides incentives for elected officials, leaders of the business community, and nonprofit organizations to come together, to jointly develop plans that work best to improve the economy in their particular area.

Those who develop the best plans will receive significant resources from



USDA to help implement their plans. Because of limited Federal funding, many who compete for innovation grants will not get one, but they will still come out winners because they will have gained valuable experience in collaborating across county and town boundaries, and they will have completed a plan of action tailored to their specific area.

Again, this is so essential. If we look at the fact that the majority of farm household income is coming from non-farm income, what good does it do to help our farm families if all of the small towns dry up and blow away? Already in my own State of Iowa, kids who live on farms and in small towns are riding school buses longer and longer distances as schools consolidate.

Farm families cannot even buy the essentials for their families without driving long distances, because there is not enough business to support local stores. We have small towns in Iowa where churches no longer exist. We have to do something to start enhancing the economic viability of our small towns and communities. That is what we do with the Rural Collaborative Investment Program.

One other key element I want to point out is the promotion of community foundations. You know, rural Americans possess hundreds of billions of dollars in assets. Much of it is in land. Good valuable land. And, quite frankly, a large share of this, I know in my area, and in the upper Midwest—I do not know so much about some other parts of the country, but I bet it holds true almost all over—a large share of the asset value is held by people who are 65 years of age and older.

Well, these farmers, ranchers, businesspeople and others care deeply about their communities. They care deeply about their rural way of life. They care about the institution of the family farm. Many would be more than happy to give a generous share of their wealth back to their communities if they had a credible agency to make good use of the gift.

That is exactly the role that community foundations play. They are the perfect vehicle for bringing together local financing, local brain power, local leadership, to focus on solutions tailored to a given community or group of communities.

The rural development title of this bill also provides \$40 million for a new microloan program championed by the Senator from Nebraska, Mr. NELSON. This initiative provides support for organizations that help people of modest means acquire the expertise to start their own businesses. It provides small loans to these new entrepreneurs.

We provide \$50 million in new funding for rural hospitals. Each dollar supports about \$18 in direct loans, and generates even more dollars in the form of loan guarantees. This funding will help rural hospitals acquire the equipment they need to improve patient care and to computerize their

records, for example. In talking about all of the needs in rural America, one of the big needs is health care, and in making sure we have rural hospitals there with primary and emergency care.

We also provide \$40 million for the construction of daycare centers. Again, demographics show many young families are leaving rural America. Poll after poll shows they want to stay there. But they need an off-farm job, and to get that off-farm job, they need daycare, and there simply is not much daycare to be had. Access to quality, affordable daycare is a big part of the solution. It is urgently needed.

Another one of the big problems in rural America is the backlog of requests for money for good drinking water and for wastewater systems. This bill provides \$135 million to reduce the backlog of these applications.

One other thing that is going to help a lot with rural jobs is the introduction of broadband services to our small towns and communities; and not only to small towns and communities but to the farms themselves. I like to think the extension of broadband to our farms and rural areas is every bit as essential today as the extension of electric lines was to our farms and rural areas back in the rural electrification days of the 1920s and 1930s.

The bill does that. We provide financial resources, we cut down on paperwork. We also cut down—basically we shift from financial assistance going to areas that already have broadband service. We do not need that. We need to get it into areas that do not have it. Broadband is a basic utility, both for the kids who need it for their schoolwork, and for farmers and rural business people in order to do business. I know of instances where in small communities, a small business person was growing his insurance business, but he needed access to broadband. There were, I forget exactly how many, less than 10 people who worked there. But he was going to grow his business. He knew he could, but he knew he needed broadband access. If he had broadband access, he could have stayed in that small town, maybe employed 15 to 20 people. Since he could not do it, he moved to a larger city, Des Moines, our capital. At least he stayed in Iowa, but I would have much preferred if he could have stayed in that small town and community and had broadband service. We need to extend broadband as rapidly as possible.

Let me talk briefly about agricultural research, which has been so important for that 116 percent increase I talked about in agriculture productivity since 1960.

The research title will increase competitive grant opportunities for basic and applied agricultural research; it will strengthen the research, extension, and education programs administered by USDA through our land grant institutions. It will achieve these objectives by restructuring the grant ad-

ministering agency at USDA and transforming it into a national institute of food and agriculture. This will improve, integrate, and streamline the management of competitive and infrastructure programs, and will require a roadmap to be led by the Under Secretary for Research, Education and Economics, to refocus the research mission at USDA.

As I have said, agricultural research has historically produced enormous benefits from relatively modest funding. In my experience, few people appreciate the transformational impact of breakthroughs in agricultural research. To give one example, consider the work of an Iowan, Dr. Norman Borlaug, beginning in the 1950s. His methods of high-volume crossbreeding and shuttle breeding in order to develop disease-resistant wheat varieties were soon applied to other crops around the world, fostering what was known as the “green revolution” which has saved upwards of a billion lives.

Dr. Borlaug won the Nobel Peace Prize and recently won the Congressional Gold Medal in a very nice ceremony here in the Capitol. But many people still do not realize how his successes in agricultural research have changed the world.

We are continuing to achieve great agronomic breakthroughs in agricultural research, but agricultural research is rapidly changing, and so we need to change the methodologies by which we fund and promote this research. That is what we do in this bill.

With the changes included in this bill, we will elevate the visibility of competitive research programs while strengthening our infrastructure programs—such as the research, extension and education programs—in place at our land grant universities. The National Institute of Food and Agriculture will lay the groundwork for a more robust agricultural research system, which we hope will lead to increased funding in the future, funding, I might add, that has remained flat in the past 20 years in inflation-adjusted dollars. I would also highlight that in the research title we provide \$80 million for specialty crops research, such as to advance breeding and mechanization, and to improve the safety—I emphasize the safety—of fruits and vegetables. We also provide \$80 million for research in organic agriculture, which as I said earlier is one of the fastest growing parts of our agricultural economy.

The largest obstacle to farm entry for beginning farmers and ranchers is access to two things, credit and land. Since 1990, a portion of the funding in the Farm Service Agency loan programs has been reserved for beginning farmers and ranchers. This bill expands the credit opportunities for beginning farmers by increasing the funding set-aside, and increasing the direct farm ownership and operating loan limit for the first time in over 20 years. Socially disadvantaged farmers face many of

the same challenges as beginning farmers do, and so we increase opportunities for them by authorizing wider participation in Farm Service Agency loan programs.

I am also proud of the fact that this is the first farm bill ever to include a livestock title dedicated to the needs of our livestock, poultry, and egg producers, and aimed at promoting animal health and expanding market opportunities.

Consolidation and vertical integration of the livestock and poultry industry has dramatically reduced the number of buyers, and in some regions there are only a few left. This lack of buyers has created an acute need for market reforms and more rigorous USDA enforcement of the Packers and Stockyards Act and the Agricultural Fair Practices Act.

To that end, this bill eliminates two layers of bureaucracy at USDA. It designates a special counsel, so at long last we will have a high-level official at USDA dedicated to overseeing, managing, and enforcing these two acts.

The bill would limit packer ownership of livestock in order to provide stability to the marketplace for independent producers. It provides basic fairness for producers using contracts, so that companies cannot force producers to travel great distances to settle disputes; in other words, to travel clear across the country to where a packer's headquarters might be located.

In addition, this bill makes arbitration voluntary, so producers are not forced into unfriendly terms, requiring mandatory arbitration, in take-it-or-leave-it contracts.

Let me also mention that at the urging of Senator DURBIN and others, the bill requires the creation of a Congressional Bipartisan Food Safety Commission. This commission would be responsible for reviewing the Nation's food safety system, and making recommendations on how best to modernize the current structure.

Over the last year we have had outbreaks of *E. coli* contamination in bagged spinach, lettuce, and numerous recalls of very large quantities of meat and meat products. Over the weekend and in today's paper I read there are a million pounds of ground beef being recalled from stores in this area, and I do not know what other areas of the country. We have had repeated cases of contaminated food, everything from peanut butter to seafood to hamburger. So the work of this new Congressional Bipartisan Food Safety Commission will both be timely and urgent. Our consumers are basically demanding that.

In sum, I have sought to lay out the comprehensiveness of this bill. A lot of people are focused on payments to farmers. They think that is the farm bill. That is a small part of the farm bill. It is comprehensive. It addresses food safety, as I just mentioned. Food assistance to hungry people abroad, food assistance to hungry people in

this country, energy, rural economic development, conservation of our nation's resources.

In energy, the bill opens up new vistas for energy production in this country, biofuels, cellulosic biomass materials; all of this is covered in this bill. So this bill is a strong forward-looking bill. It will be good for farmers, good for rural communities, good for our environment and good for our nation. It will promote our citizen's health, improve our energy security, and it is fiscally responsible. The bill won strong bipartisan support in the committee, and it deserves the same bipartisan support of Senators here on the floor.

As we look ahead to consideration of the bill this week, I hopefully can use the Senate's time productively. Obviously, this is the farm bill. We want to be productive. I encourage Senators, if they have amendments—and I am not encouraging a lot of amendments—to bring their amendments to the floor in a timely fashion. Hopefully, we can complete our work this week and go to conference as soon as possible.

I assume the chairman of the Finance Committee, Mr. BAUCUS, in his opening remarks, will dwell more on the part of the substitute amendment at the desk that includes provisions of the Finance Committee package. It includes a permanent disaster assistance program, tax credits that help offset the cost of conservation programs in the bill, and other tax provisions related to agriculture and energy. I expect Senators Baucus and Grassley will discuss these provisions at greater length. However, I thank them both and the members of the Finance Committee, including the occupant of the chair, for all of their support in helping the Agriculture Committee meet its goals and at the same time stay within our budget guidelines.

I know I have taken a lot of time, but for those who may be watching on monitors, people around the country watching on C-SPAN, and others who think a farm bill is only about payments to farmers, I wanted to show the comprehensiveness of this bill. It touches our lives every day in many ways, from the abundant food and fiber we enjoy to the safety of our food, to fruits and vegetables in schools, to the assistance to a family down on their luck who need some food assistance to feed their children during a time where they may be out of work for a period. It provides funding to help us meet our energy needs, to get us off of the oil pipeline to foreign countries. It saves our soil, provides for clean water and increased wildlife habitat for hunters and fishermen and everyone who enjoys the outdoors. It provides more research into improved agricultural technology and practices—how to do things better, how to be more productive, more safe. We have growing demands on the land. Yet we have to make sure our productivity keeps going up. We have seen tremendous strides in the past because of agricultural research and what we have accomplished there.

I want people to know, this legislation is not only a farm bill. This is a food and energy security bill covering everything—all the food we eat and consume, all the food we produce, all the food we have in our food assistance programs, and, yes, our energy needs as well. That is what this bill is. It is comprehensive. It is a good bill. I encourage the support of all Senators for this legislation.

I thank my ranking member and good friend, Senator CHAMBLISS, first for his stewardship of this committee when he was chairman and for all of the hearings Senator CHAMBLISS had last year all around the country. He came to my State of Iowa. We had a great hearing in Iowa. He laid the groundwork for this bill. It was a smooth transition this year, when our party took over the Senate through the election of last year. We continued that groundwork Senator CHAMBLISS laid for this bill.

People wonder why we took so long. Two reasons: One, the farm bill bills usually take a long time. I have often said this is my seventh farm bill since the time I first entered the House back in 1975. It is a very challenging bill to put all together, especially when one has the budget constraints we had.

In 2002, that sailed through easily. We had \$73 billion over baseline. Under the leadership of Senator CONRAD and the Budget Committee, we decided this year we will not resort to deficit spending anymore. We will get out of the hole we are in. We are going to get out of the budget deficits we have had in the past. So we have a pay-go budget, and we met our obligations with this bill in that regard. It took some time to work it out. We also received help from the Finance Committee.

The Finance Committee, for many reasons, had a lot of things on their plate, too, but once the Finance Committee acted, we had our funding through that action, we moved ahead aggressively to finalize the legislation and put the bill together. We had tough negotiations, but farm bills have always been tough negotiations. They have also been good negotiations. They have been done in a spirit of making sure all the pieces fit together.

That is what this farm bill does—it makes many pieces of the jigsaw puzzle fit together. It may not be everything I wanted in the beginning or everything Senator CHAMBLISS wanted in the beginning or anybody else, but that is what this is. It is kind of a grand compromise, if I may say, to put all these things together and to fit them together so the entire country benefits. I say that in the way of thanking Senator CHAMBLISS.

I see Senator CONRAD in the Chamber. I thank him both in his capacity as chairman of the Budget Committee and as a senior member of the Agriculture Committee. He helped us put all these numbers together so they work.



Again, I close my remarks by thanking Senator CHAMBLISS for his stewardship when he was chairman but also for being my partner in putting this legislation together as ranking member. It would be fine with me if we could quickly vote and move this bill to conference. I think Senator CHAMBLISS might agree with me on that. But we will have some amendments this week. I hope we can complete them in a timely fashion.

Mr. President, I ask unanimous consent to have printed in the RECORD a letter dated November 5, 2007.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY,

Washington, DC, November 5, 2007.

I certify that the information required by Senate Rule XLIV, related to congressionally directed spending in S. 2302 has been available on a publicly accessible website in a searchable format for at least 48 hours before a vote on the pending bill.

TOM HARKIN,  
Chairman.

Mr. HARKIN. I yield the floor.

The PRESIDING OFFICER (Mr. SALAZAR). The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, I begin by letting everybody know this is a mutual admiration society. Senator HARKIN has been a great chairman of the Agriculture Committee. In previous years, back in 2002, when we had this farm bill up for debate, he was chairman then and did a great job of leading us. I think a great product was produced. I was in the House then and had the privilege of working with him as well as other members of this committee, including my good friend, Senator CONRAD, about whom I will have more to say about in a minute. It was a good product we produced back then. As chairman for the last 2 years, I had the pleasure of going around the country and holding eight farm bill field hearings as well as a couple of other informal hearings. We tried to extend every courtesy to Senator HARKIN. He had staff at each one of those. We had a good working relationship for those 2 years.

During this year, when the seat change took place and Senator HARKIN reassumed chairmanship, he extended every single courtesy to me he possibly could. It truly has been a good working relationship, not just on production of this bill but on every other issue we had all year long. Senator HARKIN has been a great partner and a great friend for agriculture. That is what this is all about at the end of the day. It is not about the individual but about those farmers we represent and who live and work all across this great country of ours.

I thank Senator HARKIN for the courtesies he has extended to me. I thank him for the dialog we have had. Where we have had differences, he is exactly right: We have been able to talk through them and work them out. We

have come up with a good product. I do concur with him that if we could have a vote tonight, I would certainly be glad to see this behind us to move to conference and begin the delicate and difficult challenge ahead of conferring this bill with the House. At the end of the day, with his leadership, we are going to make that happen.

I see our friend, Senator CONRAD. He and I forged a good friendship back in 2002, when we were in the conference committee, when I, as a Member of the House, and he, as a Member of this body, agreed on several things that we worked hard together on to make sure were incorporated into the 2002 farm bill.

As we moved into the process of the debate on this farm bill, he also has been a great partner for American agriculture. We have had the opportunity, both with our staffs and without, to have numerous discussions, hours of discussion about the direction in which we ought to go. As I told the Presiding Officer the other day, the one thing I learned about Senator CONRAD early on was that when he tells you something, it is like money in the bank. You can know that what he said is his word and he doesn't budge from it. On difficult issues, we have had to compromise and come to agreement. We have done that in a very professional way.

The product of all of that discussion is this farm bill which the three of us have produced and filed here today. It is a good product, and it shows that when we do work together in a bipartisan way—and too often in this body we don't do that, but in this case we have—we can produce what the American people want; that is, a good legislative package.

I rise in support of the bipartisan Food and Energy Security Act of 2007 that was overwhelmingly reported out of the Senate Agriculture Committee on October 25, 2007. This bill is the result of many long hours of hard work on the part of my staff, the staffs of Chairman HARKIN and Budget Committee Chairman CONRAD.

In addition, I have met regularly with Republican members of the Senate Agriculture Committee and tried to address their thoughts and concerns throughout the process. As a result of those outreach efforts, many of the Republican members on the committee played a critical role in constructing this bill. I particularly thank Senator CRAPO for all the hard work he did in crafting the bipartisan conservation title.

In addition, our entire committee worked in a bipartisan fashion and largely was able to accommodate the interests and priorities of almost every member of the Agriculture Committee. I am extremely grateful we were able to report this farm bill out of committee with all but one member of the committee in agreement. It is indeed a luxury to pass a bill out of committee with 20 out of 21 members lending their support. Particularly in this time of in-

creasing political differences and legislative inactivity, it speaks highly of the men and women of our committee that we were able to have a constructive debate that has led to a bipartisan bill that will strengthen American agriculture.

It is my hope and expectation that we will engage in a similarly open, bipartisan process as we consider the farm bill on the floor of the Senate this week and probably into next week. Traditionally, Senate consideration of farm bills has been conducted in an open manner. I see no reason to diverge from that course during this debate.

The substitute amendment we will consider beginning today is an extremely complex piece of legislation. I echo what Senator HARKIN said earlier. We have a Finance Committee piece, and then we have the Agriculture Committee piece. They have been joined together. We would not have been able to produce the Agriculture Committee piece without a contribution from the Finance Committee. The work of Senator BAUCUS and Senator GRASSLEY is extremely important and is melded into the work we did on the Agriculture Committee.

It is complex. Farm bills in and of themselves are extremely complex. When you look at the commodity title where we talk about and use phrases that are not common to most Members of this Senate, most of them don't understand when we start talking about marketing loans or countercyclical payments because they are not used by Members of this body in everyday, ongoing discussions. Likewise, the Finance Committee piece is extremely complex and involves offsets of some programs that most of us don't deal with on a daily basis.

I am hopeful that the process will move in the course that it normally moves along with respect to farm bills. That is we have a free and open debate, everybody has the opportunity to come in and talk about any interest they have in the farm bill and to be able to offer amendments to any portion of the farm bill.

At the end of the day, when all of the votes are counted, I am very confident we are going to come out of here with a very positive, forward-leaning, reform-minded, forward-thinking farm bill that will allow us to go to conference with the House and come out of that conference with a farm bill that provides a safety net, makes the reforms in the right areas of agricultural policy where we need those reforms, and, at the same time, provides the kind of programs we need in nutrition, in school lunch, in energy, as well as in conservation, research, and the other critical portions of this bill.

We will need to carefully and methodically consider all proposals put forth by all Senators, both on the agricultural and finance-related provisions of the bill. It would be counterproductive to attempt to circumvent

our careful deliberative process by restricting the consideration of any proposal that is offered. I believe in an open farm bill debate, and I will not support any circumvention of the normal process with respect to amendments that anyone may want to offer.

It is my sincere hope the Senate will agree with our committee and support this farm bill that will strengthen the Nation's food security, protect the livelihood of our farmers and ranchers, preserve our efforts to remain good stewards of the environment, and enhance our Nation's energy security efforts.

I consider a safe, affordable, and abundant food supply a critical national security interest. I realize many people today are far removed from the farm, and it is hard for them to comprehend the complexities of production agriculture and how vitally important it is to the Nation that our agricultural industry can support the diet of American citizens without relying on imported foods and products.

Free market advocates will say we will always be able to buy what we need from other countries. That is true. But I do not want to take that chance. I do not want to rely on other countries for my food, as we do now for energy.

Senator HARKIN just put up some charts that talked about the production of oil. We could have put up similar charts that talk about the production of food. But, at the end of the day, the bottom line is that American farmers and ranchers produce the safest, most abundant, highest quality food supply in the world. When the consumer buys those products at the marketplace, Americans pay less out of every disposable dollar than any other country in the world for that safe, abundant, and high-quality food supply.

Now, despite challenging budgetary constraints, we were able to allocate \$3.1 billion in new spending for all farm programs over the life of this bill, thanks in large part to the efforts of Chairman BAUCUS and Ranking Member GRASSLEY of the Finance Committee. Do I wish we had more resources? Sure. But we find ourselves in a different situation today compared to the last time Congress passed a farm bill.

It is ironic that the strong prices we are experiencing today in farm country would make our jobs more difficult in drafting a new farm bill. That being said, key agricultural priorities, including specialty crops, nutrition, conservation, and energy programs all received additional funding, allowing these critical agricultural sectors to realize unprecedented gains that will stimulate production and benefit not only the farmers and ranchers who produce agricultural products, but also the consumers and food aid participants who enjoy them at an affordable price.

Americans enjoy the safest, most affordable, and most abundant food sup-

ply in the world—and all of this being done using less than 1 percent of the Federal budget being spent. As a fiscal conservative, I can support that kind of investment any time.

Let me point out that the largest funding increase in this farm bill goes to nutrition. I think in the last farm bill we spent 28 percent of the budget on the commodity title alone. In this farm bill, we are spending approximately 14 percent on the commodity title. We are increasing the nutrition title by over \$5 billion, and that is no small accomplishment. The additional resources were made available by reductions in other areas of the bill, including the commodity and crop insurance programs, which have always been the heart and soul of production agriculture.

Senators should understand the delicate compromise this entails, and further efforts to take funds from the farm safety net could stall this bill. The nutrition title is a vital part of this farm bill, and the committee-passed bill makes important improvements to the Food Stamp Program that have long been on the agenda of the antihunger community.

Senator HARKIN alluded to the fact we have increased the asset limit from \$2,000 to \$3,500. He is exactly right. That is a critical aspect of this bill with regard to the nutrition title. I have been a supporter of trying to increase that to \$4,000, which on a cost-of-living scale over the last 20 years that is what it should be. We had hoped to do that. I actually have a bill—it is a stand-alone bill—to do that. But, unfortunately, with the limited funds we have we were not able to do that.

But when we did find some additional money, kind of at the end of the day just before we finished the writing of this bill, Senator HARKIN and I agreed, very quickly, that where we ought to put that money is in the nutrition title to make sure we can do things such as make some of the programs permanent, as well as raise the asset limit, and make sure we have a Food Stamp Program which benefits farmers and ranchers as much as it does the beneficiaries that will be meaningful and will be workable.

I especially thank my dear friend, Bill Bolling, the executive director of the Atlanta Community Food Bank, for not only his counsel as we went through the preparation of this farm bill, but also for hosting the committee's nutrition hearing at his facility this past April. This provided us a great opportunity to better understand the needs of food banks all across America, as well as hear firsthand testimony from Georgians who rely on the food assistance programs that are an important part of this farm bill.

This bill takes important steps to improve the food purchasing power of food stamp participants and makes the Food Stamp Program more accessible to working families with low incomes. By raising the asset limit, exempting

certain IRS-approved savings accounts, increasing the standard deduction, and increasing the minimum benefit for food stamps, this legislation will better enable low-income Americans to afford the food and nutrition they need to lead productive lives.

This bill also substantially increases the Federal funding for the Emergency Food Assistance Program from \$140 million annually to \$250 million annually. These additional resources will help people in need, as well as the local food pantries that provide these important services in communities throughout the country. In addition, the farm bill promotes healthier diets by expanding access to farmers markets, as well as expanding the Fresh Fruit and Vegetable Program to all States by targeting benefits to low-income children.

Again, Senator HARKIN is exactly right. We have farmers markets popping up all over. We have a great system in our State of Georgia that is led by our Commissioner of Agriculture, Tommy Irvin, who has made sure we have very active and viable farmers markets in virtually every area of our State and that farms have access to those markets. It is not just in the metropolitan areas, where the price may be a little bit better, but in the rural parts of Georgia.

Where I live, there is not a community I can think of or a county I can think of that does not have a very active and viable farmers market, where we sell fresh fruits and vegetables and whatever is in season. Whether it is watermelons, cantaloupes, or snap beans, the farmers markets have all of those products readily available for the consumer.

The committee has once again wisely decided to include an energy title in this farm bill. That is not by accident. In 2002, the Congress passed a farm bill that for the first time contained an energy title, and we have expanded this important title in the 2007 bill by including programs to stimulate the production of cellulosic crops that can be converted into energy. The Southeast has not been a participant in this arena to date, but with the expansion of these programs to include cellulosic feedstocks, southeastern farmers will hopefully be able to make fuel from agricultural products, all the way from kudzu to peanut hulls.

Mr. President, 100 percent of the ethanol manufactured in this country today comes from corn. We do not grow corn in the southeastern part of our country, nor do we grow it in the western part of our country in the abundance it is grown in the Midwest. There are reasons for that. But we have the ability because of our long growing season both in the West as well as in the Southeast to grow virtually any crop that is out there.

So by providing funding for the additional research, by providing funding for those investors who want to manufacture ethanol from something besides

corn, they now are going to have that funding available to them to invest in the cellulosic production of ethanol. At the same time we are going to encourage farmers to think outside the box, to not just grow the crops that automatically come to mind when you think of "The Farmer in the Dell" or "Old MacDonald."

We are going to have farmers now producing all sorts of alternative crops that can be used in the production of ethanol. I will cite just one instance of that. In Georgia, we have the first cellulosic ethanol plant that has been committed for construction in our part of the world. The investor in this particular cellulosic-producing ethanol facility is going to take a crop we grow with great abundance in the Southeast—and that is pine trees—and he has developed a system that will allow them to take pine trees and convert those pine trees into ethanol. The good news is, when he sticks that pine tree in that cylinder for the manufacture of ethanol, nothing escapes. Nothing comes out in the form of emissions into the air. Everything is used and recycled. So it is an amazing process, and it is exactly the type of entrepreneurial exercise that we are encouraging in this farm bill.

Through the inclusion of this title, we continue to push forward the necessary research, development, and promotion of renewable fuels that will enable America's farmers and ranchers to contribute to the Nation's expanding alternative energy industry. Notably, the energy title receives the largest percentage increase compared to the farm bill baseline, an increase of over \$1 billion.

Importantly, this bill takes a fresh look at our commodity programs while continuing the traditional safety net so critical to America's farmers. In addition, we have created a program whereby farmers may choose to manage the inherent risks of agricultural production through a new type of revenue assurance program. I am pleased farmers will have the option to utilize this new Average Crop Revenue Program.

Senator HARKIN has been instrumental in crafting this program. Senators DURBIN and BROWN have been instrumental. I particularly compliment Senator ROBERTS for the great effort he put into digesting this new program that is extremely complex but has the potential of offering farmers and ranchers a new option. It is one of those options where we as a committee and we as a body have been thinking outside the box relative to programs of agricultural policy that benefit farmers and ranchers. I think with the amendment we have in place now in this bill we are going to encourage farmers and ranchers to think about some alternative to the conventional programs we have always had.

I understand several Members have an interest in offering amendments to further limit payments to the hard-

working farmers and ranchers in this country. However, I want the Senate to realize the committee-reported bill includes the most significant reforms to payment limitations we have seen in the history of American farm policy. Any amendment that attempts to make Draconian reforms is going to be met with my strong opposition.

I urge my colleagues to compare this bill with current law and recognize the dramatic changes. As my good friend, Senator CONRAD, was quoted in the press the other day as saying, the changes in this bill represent the "most significant reform" in the long-fought battle over payment limitations. He is exactly right. He went on further to say:

All payments will be attributed to an actual, living, breathing human [being] rather than some paper entity.

Because now we are going to have attribution. We have eliminated three entity, and we have changed the numbers dramatically.

Many of the proponents of significant reform to agricultural policy will argue that only a small percentage of Americans receive any benefit from farm programs. Agriculture economists at the University of Georgia recently released a study on the Community Economic Analysis and Impacts of Georgia Cotton Production. This study focused on one cotton-producing county in the southern part of our State. The cotton production in this one county alone has a \$36 million impact on U.S. output and almost a \$9 million impact on labor income in the United States. Another interesting result from this study was that each dollar received in Government payments generated \$1.37 of new tax revenue in the U.S. economy. Let me repeat that. This study concluded that for every dollar received in Government payments, that \$1 generated \$1.37 of new tax revenue in the U.S. economy.

The following excerpt came from the October edition of "Southern Farmer" magazine. By extrapolating the results of the University of Georgia study, the columnist Steve Ford notes:

In summary, if cotton subsidies paid to farmers are \$2 billion, \$1.2 billion is returned to the federal treasury through tax revenue from economic activity generated by cotton farmers. Economic activity generated by a net investment of \$800 million grows the U.S. economy by \$28 billion, provides another \$800 million in state and local tax revenue, and generates a \$7 billion payroll and 230,000 jobs. This investment generates a 3,400 percent return.

Although the study only focused on one small county in Georgia, when expanded, the national impact of the cotton industry and the cotton program is astounding. I hope my colleagues understand our farm program benefits all Americans, not just cotton farmers in south Georgia.

It is vitally important to the farmers and ranchers of Georgia, as well as to farmers and ranchers all across this great Nation, that we uphold the strength of the safety net American ag-

riculture depends on in this farm bill. The agriculture and food sector represents over 15 percent of the gross domestic product of the United States. This bill requires our attention and commitment to the farmers and ranchers who put food on our plates every day. If we go down the path of crippling our farm programs in response to the newspaper editorials, the inevitable result will be the outsourcing of the production of our food and fiber.

While U.S. agriculture exports continue to grow, agriculture imports increased by 10 percent and we are fast approaching a point in time when exports will equal imports. This is the one segment of our economy that has consistently and continually over the last several decades provided a positive balance of trade for our economy. If we let that slip away from us, it is going to be a huge mistake. Let the current energy crisis be a warning sign to every Member of this body. If America becomes as dependent on foreign nations to supply our food and fiber as currently is the case with petroleum, we will threaten the security of this Nation and leave our children's health and diets to the political whims of foreign nations.

Let me say that at the end of the day, the reason we are here is to represent the hard-working men and women who get dirt under their fingernails each and every day to provide the safest, most affordable, and highest quality agriculture products in the world. I hope my colleagues keep those Americans in mind when they debate this critical piece of legislation.

I wish to also discuss several important provisions in the conservation title of the Food and Energy Security Act of 2007. I would like to highlight 5 areas: conservation technical assistance, the Conservation Reserve Wildlife Habitat Program, forest conservation, climate change, and partnerships and cooperation.

U.S. agriculture delivers safe, reliable, high quality food, feed, and fiber to the Nation and to the world, but it also delivers much more. Through their careful stewardship, farmers, ranchers, and private forest landowners also deliver clean water, productive wildlife habitat, and healthy landscapes.

In the 1930s, this Nation made a historic commitment to a conservation partnership with farmers and ranchers. Rooted in our national experience with the devastation of soil erosion at that time, the conservation movement began with the purpose of keeping productive topsoil—and a productive agriculture—in place. Conservation technology was harnessed to meet that challenge.

The Farm Security and Rural Investment Act of 2002 also was historic as it renewed our commitment to the Nation's working lands. Working land—the cropland, grazing land, and forest land that is used to produce our food, feed, and fiber—accounts for nearly 1.3 billion acres, or two-thirds of this Nation's land area. Since the enactment

of the 2002 farm bill, conservation measures have been applied on more than 70 million acres of cropland and 125 million acres of grazing land. In addition, more than one million acres of wetlands have been created, restored or enhanced.

In 1935, Congress created the Soil Conservation Service SCS, within the U.S. Department of Agriculture, USDA, to lead conservation efforts at the federal level. SCS was renamed the Natural Resources Conservation Service, NRCS, in 1994. NRCS provides technical, scientifically sound advice and assistance to farmers and ranchers to address their local resource concerns. This technical assistance is the foundation of conservation.

In the 1980s, Congress began to seriously focus on conservation. During the 1990s, Congress accelerated the investment in conservation by creating additional programs, such as the Environmental Quality Incentives Program, EQIP, to share the cost of installing conservation practices with farmers and ranchers. These programs are commonly called financial assistance or cost-share programs. NRCS was given the responsibility of managing most of these programs in addition to maintaining its traditional leadership role in the technical aspects of conservation.

In response to the popularity of the financial assistance programs and their dramatic increases in funding, NRCS has had to focus almost entirely on implementing them. While the financial assistance programs have increased the adoption of conservation practices and awareness of the benefits of conservation across the country, this shift in focus has potential negative consequences for NRCS's ability to maintain its technical base and ensure scientifically valid technical assistance to farmers and ranchers.

Congress is expected to continue to support financial assistance programs well into the future. But in order to help farmers and ranchers put meaningful conservation on the ground, Congress must also maintain NRCS's core technical functions and capabilities—the science, technology development and transfer and resource assessments—that support the programs. Both parts of the portfolio are equally important.

In addition to continuing the investment in financial assistance programs, the Food and Energy Security Act of 2007 also recognizes that the success of the conservation partnership was built on a foundation of proven conservation science, technical assistance, and technology. The legislation updates, clarifies, and consolidates statutes governing technical assistance for easy reference. It defines technical assistance to ensure a common understanding by Congress, stakeholders, farmers and ranchers, and NRCS. The Act reauthorizes the Soil and Water Resources Conservation Act and reaffirms its purpose of informing the di-

rection of conservation policy. It better incorporates monitoring and evaluation into the conservation planning process and conservation programs to reflect increasing demands for a better understanding of the real-world environmental effects of conservation policy and programs.

Especially important to my home State of Georgia and other southeastern states is the creation of a new program within the Conservation Reserve Program (CRP). It will help improve wildlife habitat on CRP acres planted to softwood pine trees. The program is called the Conservation Reserve Wildlife Habitat Program.

Currently, there are about 1.5 million CRP acres in pines in the Southeast. Most of these plantings are extremely dense and have few wildlife benefits. The program provides cost-share and incentive payments to landowners to better manage their pine stands, for example, through the appropriate use of thinning and prescribed fire. Wildlife habitat quality can be rapidly restored in pine forests with the use of these and other forest management strategies. This program will be a significant tool to help reverse the decline of northern bobwhite quails, certain songbirds and other at-risk species in the Southeast.

I sincerely thank the Georgia Department of Natural Resources, Georgia Soil and Water Conservation Commission, National Association of Conservation Districts, and the National Wild Turkey Federation for all of their help developing the program. This was a true grassroots effort.

The Nation's forest resources are a sometimes overlooked but critically important part of our environment and economy. In the United States, approximately 262 million acres of forest are owned by families or individuals. Nearly one million acres of these privately owned forest acres are developed each year. U.S. paper and wood processing generates 1.2 million jobs and \$230 billion in annual sales. More than 75 million acres of forests are part of a farm. U.S. forest lands provide two-thirds of the Nation's drinking water, and a single tree can absorb more than 10 pounds of carbon dioxide per year. Unfortunately, 27 million acres of private forest are at risk of insect and disease, and 90 million acres are at risk of wildfire.

The Food and Energy Security Act of 2007 helps private forestland owners improve their land and plan for the future. The conservation title places an increased emphasis on forest resources by defining non-industrial private forest land in the Food Security Act of 1985 and clarifying that technical assistance is available for forest land conservation. Forest management practices and conservation plan development are added to EQIP, as is fire pre-suppression. The Conservation Innovation Grant program encourages forestry projects and emphasizes the development and transfer of innovative conservation technologies.

One particular area I wanted to address in the 2007 farm bill was how agriculture and individual farmers can help tackle climate change. While I am not sure we understand all of the science of climate change, there are some reasonable steps we can take to begin mitigating its effects and ensure agriculture can meaningfully participate in any future emission reduction program developed by Congress.

Agriculture accounts for about 6 percent of all greenhouse gas (GHG) emissions in the United States as measured on a million metric ton carbon equivalent. Since 1995, emissions from the agriculture sector have trended downward. The two primary types of agricultural emissions are methane and nitrous oxide. Methane is released as part of the natural digestive process of animals and manure management at livestock operations. Fertilizer and manure application to soils are the source of nitrous oxide. Carbon captured and stored in U.S. soils partially offsets these emissions, sequestering about one-tenth of all emissions generated by the agriculture sector.

Currently, there are many land management and farm conservation practices that reduce GHG emissions and/or sequester carbon. Examples include land retirement, conservation tillage, and manure and livestock feed management practices. These practices are supported through existing farm bill conservation programs. But looking ahead to the future, there are additional opportunities for agriculture to further reduce emissions and sequester carbon. USDA estimates carbon uptake in agricultural soils could double by 2012, and over the long term agriculture could sequester 2 to 14 percent more carbon dioxide.

I have been encouraged by Federal, state, and private efforts over the past few years to include agriculture in carbon credit trading programs. However, it is time to go beyond the minimum standards that have been set and develop more robust certification, measurement and verification standards. The key area that needs to be addressed is the measurement and verification of offsets generated by agriculture. Other questions that need to be answered are how to distinguish between emissions mitigation and emissions reductions that would occur anyway, what activities should be eligible, and how the actions are measured, monitored, and verified.

I am very pleased the Food and Energy Security Act of 2007 addresses these issues by directing the Secretary of Agriculture to establish uniform standards; design accounting procedures; establish a protocol to report environmental benefits; establish a registry to report and maintain the benefits; and establish a process to verify that a farmer, rancher or forest land owner has implemented the conservation or land management activity. The Secretary is required to coordinate and

leverage existing activities in environmental services markets but to focus first on carbon markets.

For several years, farm, conservation, wildlife and environmental groups have promoted cooperative conservation and debated ways to “get more bang for the buck” from the Federal investment in conservation. The 2002 farm bill included an important provision to encourage cooperative conservation through its partnerships and cooperation provisions. Partnerships and cooperation is the next step in locally led conservation as it promotes conservation on a landscape or regional level. Unfortunately, the provisions were not implemented due to a lack of specificity in the bill language regarding the relationship with partners and how funding would flow.

The Farm and Energy Security Act of 2007 resolves these issues and significantly improves partnerships and cooperation. The new provisions authorize the Secretary to undertake a competitive process to designate special projects to address conservation issues related to agricultural and non-industrial private forest land management and production. The Secretary may enter into agreements with eligible partners to provide technical and financial assistance to producers to implement on-the-ground conservation to achieve the objectives of the special project.

The concept of partnerships and cooperation is based on the highly successful Conservation Reserve Enhancement Program (CREP). In a CREP, a state and the Farm Service Agency agree to focus CRP resources on a specific area within a state to address a specific conservation need. The state usually agrees to provide some funding and technical resources to the CREP. With the new partnerships and cooperation, all conservation programs, not just CRP, could be leveraged to address specific conservation needs and to produce watershed or regional conservation objectives.

I would like to provide an example for how the partnerships and cooperation authority could be used. A cannery has closed, and nearby orchards are going out of business. A local watershed council pulls together several partners, such as a state university, a wildlife organization and an organic growers’ cooperative. They agree to work together to improve water quality and wildlife habitat while working with interested local producers to transition their orchards to organic grass-based cattle operations.

The watershed council files an application with USDA proposing to conduct local producer outreach; provide training on transitioning to a new agricultural sector, including organic certification and cattle management workshops; assist with tree removal; and assist in implementing habitat diversity practices with workshops, labor, and seed. The council asks for designation of these resources: \$10 mil-

lion in EQIP; \$250,000 in the Wildlife Habitat Incentives Program (WHIP); 1,000 acres of Continuous Conservation Reserve Program (CCRP); and 20,000 acres in Grassland Reserve Program easements (GRP).

The State Conservationist and State Executive Director agree with the proposal and set aside the approved resources, which will go to producers participating in the project. When the producer applies for the programs, they certify that they are a project participant. If they are qualified, they bypass the regular program ranking processes and enter into a contract in the identified program(s). Each program in this example stands on its own and all program rules apply. What is different is the streamlined application and the process that works to make the programs seamless in application.

In closing, I would like to repeat a story of an old man down on a hill farm in the South, who sat on his front porch as a newcomer passed by. To make talk, the newcomer said, “Mister, how does the land lie around here?” The old man replied, “Well, I don’t know about the land a-lying; it’s these real estate people who do the lying.”

W.C. Lowdermilk, the Assistant Chief of the Soil Conservation Service in the 1930s said:

In a very real sense the land does not lie; it bears a record of what men write on it. In a larger sense, a Nation writes its record on the land. This record is easy to read by those who understand the simple language of the land.

Conservation leads to prosperous, healthy societies and stable, self-sufficient countries. It sustains the agricultural productivity that allows for division of labor and the growth and longevity of a society.

In 1938 and 1939, Mr. Lowdermilk studied the record of agriculture in countries where land had been cultivated for many centuries. He sought to learn if the experience of these older civilizations could help in solving the serious soil erosion and land productivity problems in the United States, then struggling with repair of the Dust Bowl and the gullied South. He found that careful land stewardship through terracing, crop rotation and other soil conservation measures enabled societies to flourish for centuries. But neglect of the land, manifested as soil erosion, deforestation, and overgrazing, helped to topple empires and destroy entire civilizations. He concluded that America’s future was tied to conservation and that this calling fell to the Nation as well as the farmer and landowner.

Mr. President, I am pleased to have helped develop the conservation title of the Food and Energy Security Act of 2007. I look forward to seeing its resources and programs used by this Nation’s farmers, ranchers, and forest landowners for generations to come.

The 2007 Senate farm bill includes a new title not contained in bills in the

past of provisions regarding the livestock marketplace. I want to state very clearly that I have tremendous concerns with this title and do not support the vast majority of provisions included.

I know without question that the entire United States Senate is concerned about farmers and ranchers and their ability to succeed in the marketplace. The livestock industry plays a critical role in the health of rural America. Livestock and related industries account for approximately one half of the total farm-gate receipts to U.S. agricultural producers, employ half a million Americans, and create approximately \$100 billion in economic activity. It is therefore clearly important that we make certain the livestock industry continues to thrive and make every effort to sustain the economic viability of this critical sector of our economy.

In our efforts to assist constituents in the livestock marketplace, we must exert extreme caution in how we attempt to address the agriculture sector. Our focus must be on expanding the options of producers, rather than restricting their options and penalizing those successful segments of the industry.

It is for this reason that I have serious concerns with some of the provisions in this livestock title. The approach taken in this title is an attempt to regulate the industry to profitability, rather than stimulate innovation and encourage stronger relationships between the various industry segments.

I am pleased that industry—including livestock producers, packers, and retailers—were able to find a compromise on the issue of Mandatory Country of Origin Labeling. While I have long supported a voluntary program, I believe the compromise included in this bill will allow all livestock market participants to benefit from the program without being burdened by unworkable regulations and excessive fines. But outside of this provision, there is very little in this title that I support.

The livestock title includes a provision that would ban the use of mandatory arbitration in livestock contracts unless both parties agree, after the dispute arises, to utilize arbitration. Being from the great State of Georgia, I understand that poultry contract growers must be afforded the right to enter into fair and balanced contracts and to have fair and just means to settle disputes when they arise. But I am concerned that this provision will lead to increased litigation and will not benefit our poultry industry in the long run.

The U.S. Chamber of Commerce opposes the anti-arbitration provisions in the title, because: The long-term effects of such provisions, if enacted, would cause serious damage to the general use and availability of alternative dispute resolution as well as weaken the Federal Arbitration Act.

Wisely, the House of Representatives has taken a different approach to this issue and attempted to strengthen the arbitration process in order to ensure that producers are treated fairly. I prefer the approach utilized by the House, but I recognize that many of the members of the Agriculture Committee view this issue differently.

I also would like to briefly address another provision that greatly troubles me. The livestock title creates a special counsel for agricultural competition at the Department of Agriculture who will absorb all of the responsibilities for enforcing the Packers and Stockyards Act and the Agricultural Fair Practices Act. While I understand the issues that Members are attempting to address by creating this position, I believe we are creating yet another level of bureaucracy at the Department that may in fact make enforcement of the Packers and Stockyards Act even more difficult.

The most troubling aspect of this special counsel provision is that he is given the power to both investigate and prosecute violations under the Packers and Stockyards Act and Agricultural Fair Practices Act. What we effectively do in this legislation is create an Office of Inspector General within the Grain Inspection, Packers and Stockyards Administration (GIPSA), and then give that office the power to prosecute as well. This is simply bad policy, that sets a bad precedent, and will potentially lead to overzealous prosecutions and confuse the current roles in the Department of Agriculture.

USDA is strongly opposed to this Special Counsel provision because it will alter the current structure of USDA in an attempt to address problems that the Department is already addressing. In fiscal year 2007, USDA has handled more enforcement cases of the Packers and Stockyards Act than in any year in the recent past. As a result of these efforts, violators were assessed civil penalties totaling over \$450,000 this past fiscal year. It is evident that GIPSA is making tremendous progress in their enforcement efforts. Rather than build on these recent accomplishments, this provision will likely hamper enforcement efforts at GIPSA and create confusion in the livestock marketplace.

The livestock title of this farm bill attempts to create a one-size-fits-all livestock marketplace where all producers are treated the same regardless of economics or free market principles. This approach is simply not reflective of the industry today. Producers have made tremendous investments to improve the genetics, quality, and grades of their livestock in an effort to command a greater return for their products. And, contrary to the popular sentiment reflected in this livestock title, many producers are experiencing great success in their efforts.

One producer from Mason City, IA, eloquently summed up his view of the livestock marketplace in a letter to me

and Senator HARKIN. The producer stated: We don't share the grim view of our industry that others hold. We want you to know that our industry is doing well. We are able to prosper under the current law and regulations that apply to our businesses. For many producers, the stability that arises out of the contracts they strike with packing companies are the key to their financial viability, helping them to obtain credit and avoid the harshest consequences of volatility in the markets.

I commend this producer and others like him who have worked hard to secure their position in today's livestock marketplace.

The Georgia Cattlemen's Association also strongly opposes the provisions included in this title. These hard-working men and women have made substantial investments in their businesses in order to compete in today's livestock marketplace. The supposed reforms in this livestock title neglect their hard-fought efforts to secure markets for their superior products. Perhaps 15 years ago, these reforms would have made sense. But today's marketplace has evolved and my Georgia producers and many producers across this country have displayed the American spirit and dedication necessary to evolve with that marketplace and enjoy prosperity.

Rather than reduce the options available to these hard-working Americans, it certainly would make more sense to provide them with every option at their disposal so that they can continue to compete in this evolving marketplace. Attempts to drag the livestock marketplace back to the way business was conducted 15 or 30 years ago will threaten the livelihood of farmers and ranchers, drive down consumer demand for specialized products, and increase costs—not only to packers, but to the producers this livestock title attempts to serve.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. CONRAD. Mr. President, I come to the floor today to speak in support of the Food and Energy Security Act of 2007. First, I thank the very able chairman of the Agriculture Committee, Senator HARKIN, and the ranking member, Senator CHAMBLISS, for their leadership on this bill. We wouldn't be here today without their leadership. I, for one, deeply appreciate the time and the effort they have poured into this bill. This has been months of determined effort to produce a consensus bill that can command a supermajority in the Senate. It certainly did in the committee. It passed without a dissenting vote.

First, Chairman HARKIN. I applaud his vision for a new direction for farm policy in America. Make no mistake, this is a very different farm bill because of Chairman HARKIN's determination, leadership, and vision. This farm bill goes in a new direction with a much greater commitment to con-

servation, one that I think over time will prove to have been very wise, because we all know what is happening in the world. We have to do more through the conservation elements of the program in order to be sustainable over time.

In addition to that, Chairman HARKIN has played a lead role in creating a new option for farmers with the State Revenue Assurance Plan. Of course, he has been a champion for rural development and for reform. Make no mistake, this bill is the beginning of significant reform. If anybody had told us 5 years ago we could get the elimination of the three-entity rule and direct attribution, we would have thought the skies had opened up and there was a whole new day. The fact is it is in this bill.

I also applaud Senator HARKIN's staff. Mark Halverson, his staff director, who you can see is now somewhat gray-haired. Anybody who has gone through what he has goes to gray, because this is tough. This is hard to do. The regional differences are deep across the country, as are the philosophical differences.

Senator CHAMBLISS, the ranking member. We couldn't ask for a better ranking member than Senator CHAMBLISS. He did a terrific job as chairman, but he proved his mettle in helping us bring this farm bill to the floor. He is a consummate professional. I have worked with a lot of people over the years on farm legislation. It is always difficult; it is always contentious. Yet we have produced some very good bills. I think this one is by far the best. Senator CHAMBLISS played an absolutely essential role. Make no mistake, he fought for his people. He did it effectively and in a collegial way, and that is what we would hope for in the Senate. He always had his eye on the ball, and that was to produce a result for American agriculture.

I also salute his staff, the very professional Martha Scott and Bernie Hubert, who were terrific to work with every step of the way; outstanding individuals who reflect well on Senator CHAMBLISS and reflect well on the body.

Additionally, I thank the outstanding work of the chairman of the Finance Committee, Chairman BAUCUS, and the ranking member, Senator GRASSLEY, because without their help, it would have been infinitely more difficult to write this bill. Let's say right at the beginning that we have \$8 billion of new resources here; in other words, we are \$8 billion above the so-called baseline. The only reason we could do that was because of the help of the Finance Committee. That has made a profound difference. As a result, and as a result of the exceptional leadership of Chairman HARKIN and Ranking Member CHAMBLISS, this bill significantly improves commodity programs and energy. We are now embarked on a massive effort to reduce our dependence on foreign oil. It is in this bill. It is critically important. There are also



new resources for nutrition. Changes that have not been made in nutrition in over 30 years have been made in this bill, and people can be proud of it; over \$5 billion of new resources for nutrition. We should recall, to all those who are listening, this isn't just a food and energy security bill; this is also at root a nutrition bill. Sixty-six percent of the money in this bill is for nutrition in America. That affects every city and town, every farm gate, every ranch gate in America. Sixty-six percent of the money in this bill is for nutrition. For all of those critics—and there are legions of them out there—especially in some parts of the media who have never bothered to actually look at this bill or read this bill or research what is in it, they should know that 66 percent of this bill is for nutrition. The thing that draws most of their attack, the so-called commodity programs, less than 14 percent; less than \$1 in every \$7 in this bill is for commodities.

Conservation. Because of Senator HARKIN's vision and leadership, this is by far the most ambitious conservation program ever included in farm legislation, and he is right. He is right to take us in that direction. The people who are the critics should know that conservation and nutrition are at the centerpiece of this legislation, and rural development programs as well.

This legislation is good for farm and ranch families. It is good for rural communities and Main Street businesses. It is an enormous win for consumers and taxpayers. This legislation is the product of countless hours of deliberation that represents a broad consensus.

Let me also say the occupant of the chair, Senator SALAZAR of Colorado, played a key role time after time after time in bringing people together. At the end of the day, what you learn in a legislative body is you have to have an idea, a kernel of an idea for legislation, and it then has to be sold to so many people, and that is the difficult part. Bringing people together is an extraordinary skill. The occupant of the chair, Senator SALAZAR, has it in spades. I have told others we are lucky to have somebody of his character and somebody of his ability to talk to others, even when they disagree, to find areas of agreement. That has been his great gift on this bill.

There are so many others whom I want to single out. Senator DEBBIE STABENOW of Michigan, who is such a passionate advocate for specialty crops. My goodness, Chairman HARKIN, if we heard once, we heard 100 times from her about specialty crops, and boy, she has delivered for those people in this bill, over \$2.5 billion of new resources for specialty crops. When you include everything, what a major advance for specialty crops, and there is nothing better than this fresh fruit and vegetable program. Of course, the chairman is the champion of that program, but we are going to go from 14 States that have this fresh fruit and vegetable program for kids in schools,

and it is going to go to all 50 States, and a dramatic increase in resources. Because we know—we can see—what is happening in America. We can see what is happening with obesity. We can see there has to be change, and there is dramatic change in this bill—change that I think every Member of this body can be proud of. I mentioned Senator BAUCUS and the role he played as chairman of the Finance Committee. I can look down that table at others who have contributed. This was a team effort, if ever there was a team effort, on both the Republican and Democratic sides.

We appreciate the efforts of so many of our colleagues. I think of our friend from Arkansas, who was so passionate about defending her people, BLANCHE LAMBERT LINCOLN. It is tough when you are in a minority situation. But she was absolutely determined that her people not be hurt. She worked tirelessly to make certain that was the outcome. So I appreciate the efforts of so many.

BEN NELSON of Nebraska, who comes from a farm State much like mine, was so determined, as well, that we write a farm bill that could get through the committee on a strong bipartisan vote and get through the floor on a supermajority, which we have done.

I thank AMY KLOBUCHAR, who was so determined to make certain we would look at cellulosic, recognizing that corn ethanol could not meet the ambitious national goals set by the Congress of the United States, and that we had to turn toward cellulosic. She was right there with ideas, advice, and also a willingness to go colleague to colleague to persuade them of the need. All of these people have made enormous contributions.

Of course, Senator LEAHY's contribution on MILC programs, the former chairman of the committee. We deeply appreciate his contribution as well.

It is difficult to write this bill because, as the chairman said, we have a lot less money this time than last time. Let me put that in terms people will more easily understand, in visual terms. The red line on the chart is the old CBO baseline, what the farm bill would cost. The green bars are what this bill has actually cost and is projected to cost. If you net it all out, you find that the 2002 farm bill cost about \$20 billion less than the Congressional Budget Office said it would in August of 2002.

Looking forward, we have \$22 billion less in baseline to write this farm bill than was estimated by the CBO in 2002. I took a call from Mr. Chuck Connor, Acting Secretary, telling me they are going to recommend—or say tomorrow that they would recommend a Presidential veto of this legislation. They do it on cost grounds. They have a number they throw out there that has no relationship to reality. It is an imagining on their part. It is their sort of make-believe writing up of the numbers.

The fact is we have \$22 billion less in baseline to write this bill than was pre-

dicted when we wrote the last one—\$22 billion less. So we are \$8 billion over the baseline and every penny of it paid for. That is a fact. It is also true that this bill was difficult to write not only because we had less money but because the financial circumstances of the country changed dramatically. The debt of the country increased from \$5.8 trillion at the end of 2001 to \$8.9 trillion at the end of this year. So we were writing this bill in a totally different environment than the last one. Back then, there were surpluses as far as the eye could see. Now it is red ink, debt. That profoundly changed the circumstance.

In addition to that, we also face a very hostile media environment, especially from the leading newspaper in this town, which hasn't seen a single initiative for farm and ranch families in this country that they like. They have not been positive about one single thing. These headlines say: "Agri-welfare." "Aid is a Bumper Crop to Farmers." "Aid to Ranchers was Diverted for Big Profits." "No Drought Required for Federal Aid."

There are some elements of truth in every story, but the thing they miss is the much larger story. What does the food policy in this country lead to? I will tell you: the lowest cost food in the history of the world. That is what this food policy leads to—the most plentiful and the safest supplies and the most ambitious nutrition programs of any country in the free world. That is what is here.

Do you see one word of that printed in the Washington Post? Do you see one word on the positive things that are here? Not one. They take every little anomaly, every little exception, blow it into a big headline, and take things out of context. They ought to be ashamed of themselves. They take stories from people who have dedicated their careers to dismantling the farm programs of the United States, which are the envy of the world.

Here is what happened to food expenditures as a share of disposable personal income in our country. In 1929, 23 cents out of every dollar went to buy food. Today it is 10 cents. That includes, by the way, eating out. We are down to 10 cents of every dollar going for food in this country.

There is a lot to be proud of in the agricultural policy of the United States. I would put this at the top: Who pays the least for food in the entire world? Who pays the smallest part of their disposable income for food? We do. America pays the least. By the way, these comparisons are looking in the other countries at food purchased for home consumption. Our number is home consumption and eating out. Look. Indonesia, 55 cents out of every dollar goes to buy food. In the Philippines, it is 38 cents. In China, it is 26 cents. In France, it is 15 cents. In Japan, it is 14 cents. Remember, their numbers are food consumed in the home. Our number—10 percent—is food

consumed at home and food outside the home. What a dramatic difference it is, what our people are paying out of their disposable income for food and what everybody else in the world is paying. We can be proud of that.

We look at our major competitors—again, the Washington Post never writes this story. Never. You know, we are not in this world alone. There happen to be other countries. We happen to have tough competition. The Europeans are our leading competitors in agriculture. In fact, they are about equal with us in terms of market share. Yet look at what they do for their producers versus what we do for ours. This is a 5-year baseline in the 2007 farm bill. This is what we are doing for nutrition. We are providing five times as much for nutrition over the 5 years as we are for commodities—five times as much for nutrition as for commodities.

The Washington Post, why don't you write that story and tell people the whole story? The other element I wished to mention that I was leading up to was what is happening with what the Europeans, our leading competitors, do for their producers versus what we do for ours. Washington Post, why don't you write this story? European Union, \$134 billion—and this is after their cap reform. This is what they are spending on farm supports, more than three times greater than the United States at \$43 billion. I don't see the Washington Post telling this story. I don't see them ever helping the American people to understand what we are up against in the real world—that our major competitors are spending more than three times as much as we are to support their producers.

What happens if you pull the rug out from under our producers? What would happen? Mass bankruptcy, that is what would happen. Is that what we want to do in this country? Do you want to bankrupt American agriculture? Do you want to bankrupt farm and ranch families? I don't think so. So people need to think a little more carefully than some of these columns I have seen written do. They owe it to the American people to tell the whole story of what American food policy has meant.

I am going to also look at what our European friends are doing on export subsidies. This is a pie chart of what the Europeans are doing on export subsidies. They account for 87 percent of the export subsidies in the world—the Europeans. The United States is this little sliver, 1 percent. The European Union is outgunning us 87 to 1. These are the hard realities that those of us who have a responsibility for writing agricultural policy have to cope with. Those of us who have actual responsibility, those of us who will be held accountable, the people in this Chamber, have to deal with reality, not fantasy, not misrepresentations, not the exceptions. We have to deal with what is right at the heart of the effect of American farm policy.

I would like to read one paragraph from the Wall Street Journal article

from September 28 of this year. That article said this:

The prospect for a long boom is riveting economists because the declining real price of grain has long been one of the unsung forces behind the development of the global economy. Thanks to steadily improving seeds, synthetic fertilizer and more powerful farm equipment, the productivity of farmers in the West and Asia has stayed so far ahead of population growth that prices of corn and wheat, adjusted for inflation, had dropped 75 percent and 69 percent, respectively, since 1974.

Let me repeat that:

Thanks to steadily improving seeds, synthetic fertilizer and more powerful farm equipment, the productivity of farmers in the West and Asia has stayed so far ahead of population growth that prices of corn and wheat, adjusted for inflation, had dropped 75 percent and 69 percent, respectively, since 1974. Among other things, falling grain prices made food more affordable for the world's poor, helping shrink the percentage of the world's population that is malnourished.

You never see that report in the Washington Post—not once, no. To characterize this bill and this policy as a giveaway to farmers is not accurate or warranted. Total farm bill outlays for the commodity, conservation, nutrition, energy, and other priorities are estimated to represent less than 2 percent of total Federal outlays. Here is total Federal outlays. Here is what is going to the farm bill. This farm bill is going to be less than 2 percent of total Federal expenditure, and the commodity provisions that draw the fire are one-quarter of 1 percent.

We used to talk about the farm bill—the last farm bill being 3 percent of Federal outlays. Now we are down to less than 2 percent. Those who run out and—as the administration apparently will do tomorrow—chastise this bill for its spending, why don't they put it in perspective and level with the American people? Why don't they tell the whole story? Why don't they tell them that the old farm bill used to consume 3 percent of the Federal budget? This is down to 2 percent, and the commodity programs that used to be one-third of 1 percent are down to one-quarter of 1 percent. Why not tell the whole story? Why not give people the facts from which they can make a reasoned judgment?

We know the European Union is spending three times as much to help their producers as we spend to support ours. We know they are outspending us on export subsidies 87 to 1. We know the European Union is not the only culprit and that Brazil, Argentina, and China are gaining unfair market advantage through hidden subsidies.

I know what this means to my State. My State of North Dakota, according to North Dakota State University, says that without the farm bill, net farm income in North Dakota would have decreased from \$77,000 per farm to about \$13,000 per farm—a reduction of \$64,000. That is how significant this is. The average net farm income for all farms was \$77,000. Without the provisions of the farm bill, net farm income would

average \$13,000. The 2002 farm bill decreases the income variability by 47 percent. These are facts.

So I conclude that our current farm policy is working not just for farmers but for consumers and taxpayers. But that is not just my conclusion. Over the past 2 years, I have engaged in long conversations with people all across my State. They told me the 2002 farm bill had been a great success, and they recommended that we build on those successes by maintaining and rebalancing commodity programs, by promoting energy production in America so we are less dependent on foreign sources, so that instead of turning to the Middle East, we can look to the Midwest. Wouldn't that be great for America? We are spending almost \$300 billion a year importing foreign oil. How much better would our country be if that money could be spent here rather than sending it to places all over the world?

The people back home have told me that ensuring predictable help is available for producers stricken by disastrous weather should be part of the farm bill, that we should enhance the conservation of our land and provide new resources for nutrition. All of those items are in this farm bill, and those who wrote it deserve to be proud.

Let me briefly talk about what I see as the high points of the bill before us.

In the commodity programs, this bill strengthens the producer safety net by rebalancing support for many crops. It leaves direct payments untouched. It increases loan rates for key American commodities, such as wheat, barley, sunflowers, and canola. It provides higher target prices for wheat, barley, oats, soybeans, and minor oil seeds that have for many years been treated less generously, less fairly than other commodities. Finally, it provides a new target price program for the pulse crops.

The Sugar Program sees modest improvements. There is a new sugar loan rate, a sugar-to-ethanol program modeled after what they do in Brazil that has led them to energy independence. They were at one time far more dependent than we are. They were getting 80 percent of their energy supplies from abroad. They are now on the brink of energy independence. There is a higher sugar storage rate, and the bill improves the safety net for dairy producers.

Specialty crop growers are getting a substantial boost under this bill. There is \$2.5 billion of increased funding for nutrition, research, production, and market promotion programs that will further grow our fruit and vegetable industry.

There are also reforms to eliminate abuse and make farm programs more transparent. These include elimination of the three-entity rule and the requirement for direct attribution of farm program payments. If somebody is listening and says: What does that mean? very simply, it means there is

going to have to be a living, breathing human out there getting farm program payments. They are not going to be able to hide behind a mishmash of legalisms, they are not going to be able to hide behind paper entities and nobody knows who gets the money.

This bill provides a new State revenue-based countercyclical program and contains a supplemental agricultural disaster assistance program that was crafted as part of the Senate Finance Committee work.

In particular, I again recognize Senator BAUCUS for his leadership on taking a concept advanced by the National Association of State Departments of Agriculture and making it a reality. It is extremely well thought out.

We are also aware of the tremendous financial pain caused by droughts, floods, hurricanes, and other acts of nature. When disasters occur, we respond, but sometimes those responses come much later than they should. A standing disaster assistance program sets us on a predictable and logical path to deal with disaster-related conditions for our farmers and ranchers.

In North Dakota 2 years ago, we faced conditions such as massive flooding, water as far as the eye could see, and there was no relief for 2 long years. That should not happen in America.

This supplemental disaster program has the following elements: a supplemental revenue assistance program that provides payments when the whole farm revenue falls below the whole farm revenue guarantee; an improved noninsured assistance program to more fairly protect crops that are not currently covered by crop insurance. Some crops are not covered by crop insurance. That doesn't mean there is not a program. Under the current law, the most people can hope to recover is 27.5 percent of what they lose—27.5 percent. That is the most they can possibly recover of losses they might suffer because of a natural disaster, 27.5 percent. Under this program, they will be able to do better.

There is a livestock loss assistance program to indemnify producers when deaths occur due to disaster-related conditions, a tree assistance program to help restore and replace damaged orchards and vineyards, and a speciality crop pest and disease prevention program to reduce the likelihood of disaster-related losses due to pest infestation.

The supplemental disaster program was built on sound principles authored by the State commissioners of agriculture: One, a predictable agriculture disaster program; two, it covers program crops, speciality crops, forage, and livestock; three, it provides assistance as a percentage of the difference between actual and expected whole farm crop revenue; it complements crop insurance and noninsured assistance programs. In fact, it creates an incentive to buy up. That is exactly what we should be doing, and that is in this bill.

This program is designed to be made available soon after a disaster hits, not after the auction signs go up. This picture is from my hometown newspaper earlier this year. "First the drought, then the auction." This picture is showing a farm auction in North Dakota from the perspective of this fellow's boot. I have been to these auctions. I have watched the mother of the family crying at the kitchen table after losing a farm that was in the family for five generations. I have seen farmers and their kids and the looks of agony on their faces as everything they have known is taken in a few hours. I have seen it. Anybody who has felt the emotion knows what I am talking about—incredibly good and decent people who lost it all, not because of something they did but because of the vagaries of Mother Nature, because of disease, because of movements in a market that are the most difficult to predict, other than the energy markets, of any market in this country.

If we want farm and ranch families to just be wiped out by natural disasters, we can do that, but that isn't America. When Katrina hit, Americans rushed to help out. My wife and I called the Red Cross to make our donation, and the man answering the phone told me he had never seen such an outpouring in his life of just average citizens digging in their own pockets to help people in another part of the country. That is America.

There is a history in farm country: If your neighbor gets sick and the crop needs to be harvested, all the neighbors come together and go out and harvest that farmer's crop. If a barn burns down, they don't wait for the insurance settlement; the neighbors get together and they build that barn back up. That is a good thing. That is right at the heart of what makes America a great place.

Let me briefly talk about the energy title that helps us reduce our dependence on foreign oil. The reason the bill is called the Food and Energy Security Act is because it makes smart investments in breaking our long-term dependence on foreign oil. That is why the energy title is the most exciting piece of this legislation, to me. It focuses on developing cellulosic ethanol. We cannot reach the level of ethanol use Congress has called for without it. There are simply limits to what corn-based ethanol can produce. With a cellulosic ethanol industry that can turn prairie grass or wood waste into fuel, we will be able to take full advantage of the agricultural abundance of our country. We have set ourselves on a path to freedom from relying on foreign despots for the energy we need.

This energy title will provide more than \$2.5 billion, including the Finance Committee tax credits, to encourage production of advanced biofuels and renewable energy. The farm bill assists with biofuel and renewable energy production in several ways: It provides assistance for the establishment of re-

newable biomass crops; it includes grants and loan guarantees to develop advanced biofuels refineries; it provides an incentive for increased production of advanced biofuels; it helps farmers and rural small businesses invest in energy efficiency and renewable energy technologies; and it accelerates research and development of advanced biofuels.

I think this is the most exciting part of this bill. It is in every American's interest that we do this and we do it sooner rather than later. It is in this bill. It deserves people's support.

The conservation title enhances the conservation of our land with a \$4.5 billion expansion from our current conservation efforts. It fully funds successful programs, such as the Wetlands Reserve Program, which is important environmentally, and the Grasslands Reserve Program. It also maintains the overall acreage limit for the Conservation Reserve Program.

Additionally, \$20 million is provided to fund the Open Fields Initiative that I offered with Senator ROBERTS. Open Fields underwrites State programs that offer incentives to farmers and ranchers who voluntarily open their land to hunting, fishing, and people who might just want to take a walk or look at birds.

I am proud this bill boosts nutrition funding by almost \$5.3 billion over 5 years. That is more than \$1 billion higher than the House adds for nutrition. In fact, nutrition gets a bigger increase than any other area in this bill. Within that total, \$1 billion for the fresh fruit and vegetable program that the chairman has championed is going to make a difference to kids in every State in the Union. Previously, we could only provide assistance to 14 States. Now every State in the Nation will be able to have a fresh fruit and vegetable program. We have also increased funding for the Emergency Food Assistance Program by \$550 million over 5 years. This additional funding will allow food banks to serve those most in need. Who among us has not heard from our food banks that they are having an increasing difficulty meeting the demands made on them?

Finally, we have updated a number of food stamp policies for the first time in 30 years. These changes represent an additional \$3.7 billion for that program.

In addition to all the important improvements I noted, this bill is fully paid for. It complies with the new pay-go budget discipline, and that has not been easy. We will hear from the administration tomorrow that somehow we have come up with \$36 billion or \$38 billion of new money. They arrived at that total by the most creative accounting I have ever seen.

The fact is this bill is \$8 billion over baseline. The further fact is that this bill allowed us \$22 billion less than we had when we wrote the last farm bill. Anybody who suggests this isn't fiscally responsible is not looking very hard.

When the 2002 farm bill was written, the Ag Committee had \$73.5 billion in new resources to utilize in addressing the challenges of that bill. As many in this body remember, that was not an easy process. Well, this year the Agriculture Committee, working in close cooperation with the Senate Finance Committee, had only \$8 billion above baseline in new funding resources. And as I have indicated, even with that, we were \$22 billion below on a baseline basis of what was available for writing the last farm bill. At the same time, by rebalancing and reformulating the commodity title and establishing a standing Agriculture Disaster Assistance Program, the committee has been able to maintain and improve the economic safety net for our farmers, including those who produce specialty crops. At the same time, the adjustments made in the commodity title, when coupled with the funding made available by the Finance Committee, allow this legislation to provide about \$10.7 billion that is used to address other priorities within the jurisdiction of the Agriculture Committee.

So hear me now. Hear me now. We have reduced the commodity portion. We have reduced crop insurance. Commodities provide 34 percent, crop insurance provides 32 percent, and the Finance Committee provided 28 percent. Those are the funding sources to increase conservation by 39.4 percent of the total, nutrition got 46.8 percent of the increases, energy 9 percent, and other 4.7 percent. So this is where the money came from. It came from commodities and crop insurance and it went to conservation and nutrition. That is a fact.

That is not the only fact we ought to draw people's attention to. We also ought to point out that if you look ahead on this farm bill to where all the money goes—you look at this whole bill and where the money goes—66 percent goes to nutrition, conservation 9 percent, crop insurance 7.6 percent, commodity programs 13.6 percent—a dramatic reduction from the previous farm bill. And that is a fact. That is a fact. I think in the last farm bill commodities were at about 15 percent.

So this has been no easy task, but the farm bill we are considering represents a tremendous effort by Chairman HARKIN, by Ranking Member CHAMBLISS, as well as by Chairman BAUCUS and Ranking Member GRASSLEY. I tell you, I have never seen a better team effort in this Chamber, a more bipartisan effort than was made on this farm bill. When has a farm bill ever come out of the committee—with 21 Members of the Senate on that committee—when has a farm bill ever come out without a dissenting vote? I have been here 21 years. I have never seen that kind of bipartisan support as we saw for this bill. And why? Because it is deserved. It is deserved because this bill breaks new ground. It is the beginning of reform. It commits substantial new resources to nutrition that is al-

ready by far the biggest part of farm legislation, and it has the hope for America being able to reduce its dependence on foreign energy. That is right at the heart of this bill. That is why we call it the Food and Energy Security Act.

I commend the leaders for their hard work. It has been the result of months of bipartisan collaboration. And, as I have said, it is fully paid for. Over the next several days, I expect we will hear some colleagues unfairly criticize the bill for providing an economic safety net for our producers. Let me remind my colleagues that current law is estimated by CBO to spend almost 15 percent of total mandatory outlays for the commodity programs, with 66 percent of the estimated outlays going to support food stamps and other nutrition programs to the needy, and just under 8 percent of the outlays are for resource conservation programs.

Under the bill proposed by the Senate Agriculture Committee, the amount for commodity programs is reduced more than 11 percent to 13.6 percent of total outlays. Spending for nutrition programs remains at about two-thirds of total outlays, and conservation spending is increased nearly 17 percent to 9 percent of total estimated spending.

In closing, this farm bill represents an investment in American agriculture that will benefit our producers, our rural communities, our Main Street businesses, taxpayers, and consumers, and particularly the most needy among us. It deserves the support of every Senator.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, before I make my comments on the farm bill, I want to follow up on something that the Senator from North Dakota said about the bipartisanship of this bill, and that is to remind people who might be listening that what they see on the evening news about dissension within Congress does not present a very clear picture of the way Congress operates.

We can all say there is too much partisanship, but in the final analysis, at least as far as the Senate goes, nothing is ever going to get done here unless it is bipartisan. So I compliment the Senator from North Dakota for speaking about the bipartisanship of the farm bill that is now before the Senate, but I take that opportunity to remind people when you have 51 Democrats and 49 Republicans and you have a filibuster, it takes 60 votes to move forward to stop a filibuster and to get finality on a bill. We would never get anything done in the Senate if it weren't at least somewhat bipartisan.

I say to the American people who watch television at night and get fed up because there is talk about too much partisanship going on in the Congress and too many things being done to make one party look better than the

other party and vice versa, this farm bill is an example of how things get done in the Senate because parties must work together or nothing would get done. This farm bill will be passed by the Senate for the reason that it is bipartisan.

I thank my colleagues who have worked so hard on this bill, particularly the leadership of the Senate Agriculture Committee, and Senator HARKIN for his leadership in this area. It is a lot of hard work to bring a bill to the floor that supports rural America when you consider only about 2 percent of the people in this country are producing the food that the other 98 percent eat.

While this bill isn't perfect, it is something that will help the family farmers. The most important job the committee has to do every 5 years is to write a farm bill. It is not all we do. We operate in a lot of different areas. But one of the most important things the Agriculture Committee does is provide a safety net for farmers, and we generally review and rewrite that piece of legislation every 5 or 6 years.

I am glad that in addition to the Agriculture Committee being involved in this bill, as the Senator from North Dakota has pointed out, the Finance Committee has had a part of the action, because we were able to contribute to that process and free up over \$3 billion for the Agriculture Committee to spend on priorities that are very important for the Agriculture Committee.

What is more, for the first time I am aware of, we will be merging our agricultural tax policy with the Agriculture Committee's authorization and spending policy. This bipartisan tax package frees up conservation dollars for programs that we have backlogs in, closes tax loopholes, provides support for our growing cellulosic technology for ethanol, encourages rural economic development, and helps family farmers to get started in the business of agriculture.

I have never been a big proponent for a permanent disaster program, but there are a few key items I want to point out about the bill that is before us. This program will set up a permanent system to administer disaster aid. We won't have to go through the trouble then of setting up a new way to administer a disaster program every time we do an ad hoc disaster package, as we have done from year to year as disasters might happen.

Also, what is most important to me about this part of the farm bill that comes from the Finance Committee is that it is tied directly to crop insurance. We want to promote farmers managing their own risk, and one way to do that is through the crop insurance program. Now, the crop insurance program might not cover all disasters, so that is why this program is set up. But as a precondition to participating in the disaster program that is in the Finance Committee's provisions that

are going to go into this farm bill is that each farmer who wants to benefit from it has crop insurance.

In my home State of Iowa, we have a very successful crop insurance system. I like that farmers have to take risk mitigation into their own hands. Tying the two together was the only way it would work. I know this body will be looking at additional provisions that might affect the crop insurance program. I am not opposed to changes, but I urge my colleagues to be careful that we don't undermine a successful risk tool for our farmers. I believe we should give producers as many tools as possible to provide them an adequate safety net. An optional revenue protection program is a step in the right direction. Farmers should be able to make the best choices for their individual operations based upon the level of risk management that they, as their own manager, decide they need. I am glad to see that option included in the farm bill, and I look forward to any-body suggesting improvements in that program.

One of the most important titles in the Agriculture Committee bill, and it is added for the first time to a farm bill, is the livestock competition title. I am glad to see a compromise on legislation that we call COOL—an acronym for country-of-origin labeling—and I look forward to the law being implemented quickly. This COOL legislation was actually passed 5 years ago, but it has been held up by action on separate appropriations bills over the years so that this law has never been implemented. Hopefully, once and for all, it will be implemented, because it is a darned good time to let consumers know where their food comes from. The country of origin of their food is as important as their knowing the country of origin of any other product they might buy as a consumer in the United States. That is the law for every other product that consumers buy—that they know what country it comes from—so why not the same requirement for food as well?

We have also put a ban on mandatory arbitration in production contracts. This isn't to say a producer can't agree to arbitration once a dispute arises. In fact, I am very much a supporter of the process called arbitration, but I am very much opposed to mandatory arbitration. Because of this legislation, processors can no longer force these arbitration clauses on farmers who have no choice but to sign the contract for lack of competition.

I am also very pleased that my amendment to ban packer ownership for owning or feeding livestock has been accepted into this package by Senator HARKIN and other leaders on the committee. This is very good news for small livestock producers who deserve to make sure the competitive marketplace is working. One of the things that brings this about is the meat processing industry has said very clearly from time to time: Why do they

own livestock? They own livestock—they say, in their words—because when prices are high, they can kill their own livestock. When prices are low, they buy from the farmer. I think it is easy to see how demoralizing that is to the family farmer when he sees, working hard to produce a product, that somehow he can be undercut by the vertical integration of meat packers owning their own livestock.

While this does not accomplish all that we need in this area of enhanced competition for the family farmer, it is an important first step toward remedying the biggest problem facing farmers today, the problem of concentration in agriculture, particularly in agribusiness. Senator HARKIN and I, along with other Members of this body, will be offering additional reforms that are critical to a vibrant future in the livestock industry. I call on my fellow Senators to support the livestock title and these additional reforms.

Another issue I have been working to address through the farm bill relates to the administrative rules issued by a department unrelated to agriculture, the Department of Homeland Security—well, related in the sense that they have responsibilities to make sure that products coming into our country are safe. But this regulation I am talking about is their attempt to regulate stored quantities of propane energy sources.

Earlier this year, the Department of Homeland Security issued regulations that required registration of all propane tanks storing 7,500 pounds of propane. These regulations were unduly burdensome and disproportionately impacting rural American homeowners, farmers, and rural small businesses. Senator HARKIN included a provision in the farm bill that I authored that would reduce this impact on rural Americans.

Coincidentally, after the provision was included, the Department of Homeland Security stepped up and increased the threshold quantity of propane, exempting many small homeowners, farmers, and small businesses by excluding tanks smaller than 10,000 pounds of propane and raising the threshold to 60,000 pounds per large tanks. That is a movement in the right direction. This change in regulation by the Department of Homeland Security is welcome, but the Department should have alerted everyone in advance and eliminated the need for us to include a provision in this bill at all. That said, we are currently working on some new language that would ensure that the Department of Homeland Security reports to Congress on the impact its new rule will have and ensure that rural Americans are not disproportionately impacted.

As a family farmer on the Agriculture Committee, I have made it my job to look out for small- and medium-sized family farmers. However, the position of the family farmer has become increasingly weaker as there has been

consolidation in agribusiness, and it seems to have reached an alltime high. Farmers today have fewer buyers for their products and fewer suppliers to buy their inputs from. It seems this concentration is more now than ever before. The result is an increasing loss of family farms and the smallest farm share of the consumer dollar in history. It is important for us to remember that family farmers ultimately derive their income from the agricultural marketplace, not from the farm belt. Family farmers have, unfortunately, been in a position of weakness in selling their products to large processors and in buying their imports from large suppliers.

I have been fighting for real payment limitations since the last farm bill. I have, to some extent, over a period of decades in Congress, helped to pass farm bills. Senator DORGAN of North Dakota and I realize that a hard cap on payments is a most effective tool in helping our small farmers get a level playing field with the corporate megafarms. Ask a taxpayer if a quarter of a million dollars is enough for a farmer. That is what our cap is going to be. I think we would all know the answer to that question would be very positive.

The family farmer continues to struggle with land prices literally skyrocketing. Landlords know what kind of payments the farmer is getting and takes that into account in the rent they charge. We cannot sit idly by and do nothing while family farmers suffer. I certainly am not going to. That is why I pushed for reform in our laws that has an effect on family farmers and particularly in helping young farmers get started in farming.

The time for real reform is now. Our family farmers deserve it. I think we have a good start on a good package for rural America. An adequate safety net will assure us a safe and abundant food supply. It is critical to our economic and energy independence for the future. I look forward to the debate over the next few days to improve this bill, and I would like to highlight the issue of a hard cap on farm payments.

Presently, we have 10 percent of the large farmers in America getting 72 percent of all the money we put into a farm bill. There is nothing wrong with big farmers getting bigger, but there is something wrong when we have subsidies and farm programs going to big farmers who are getting bigger partly because of subsidies. What we want to do is maintain urban support for a farm safety net for farmers. It seems, in order to maintain that safety net, we are going to have to maintain credibility with urban taxpayers and urban consumers. We cannot do that very easily when big farmers—10 percent—are getting 72 percent of the benefits out of it because the taxpayers in the cities are going to start raising the question: What is this farm safety net all about if it is only helping the biggest of farmers? To get a farm bill

through the House of Representatives, where urban representation is so all-powerful, it is very important for us to take that into consideration.

Another factor we need to take into consideration is the extent, as I have already alluded to, this drives up the cash rent, so it is very difficult for a generation of new farmers to start farming when they have the unfair competition of 10 percent of biggest farmers getting 72 percent of the benefits out of the farm program.

Then it seems to me we ought to take into consideration what has been the history of the safety net for family farmers. It generally has been targeted toward medium- and small-sized farmers. Why? Because these are the people, when they have an opportunity to farm and things happen that are beyond their control—that could be a natural disaster; that could be Nixon freezing beef prices, as he did; it could be, in the same administration, prohibiting the export of soybeans when they got \$13 a bushel, driving it down to maybe \$3 a bushel in just a matter of a few days. You can have international war. You can have energy at a high price as it is now because of OPEC. All of these are beyond the control of the family farmer. The small- and medium-sized farmer does not have the ability to withstand some of these things that are beyond his control. But there is a certain level of efficiency, a certain level of bigness in farming where you have enough staying power so that you can withstand some of that.

We, through payment limits, have tended to target the farm program toward small- and medium-sized farmers. It is quite obvious that when 10 percent of the biggest farmers get 72 percent of the benefit out of the farm program, that targeting is no longer the case. What Senator DORGAN and I are trying to do in our amendments that will come up shortly is to make sure we keep that targeting and safety net what it really is—a safety net to help people when they have problems beyond their own control, to overcome them, to survive in business, to keep producing. Why? Because we have come to the conclusion, after a century and a half, that the family farmer is the most efficient food-producing institution anywhere in the world. We ought to maintain it. We ought to keep it strong. This legislation will do that. Some improvements we can make in that legislation in the areas of payment caps will help even more so.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, I am pleased to come to the floor of the Senate to support the farm bill. I believe the committee has produced a good bill. I believe, as my colleagues Senator CONRAD and Senator GRASSLEY have said, and before them Senator HARKIN and CHAMBLISS—they have talked about the need for a farm bill, No. 1, and, No. 2, the ability to produce a bill that gives farmers some hope.

It is late in the year. My hope is we can pass a bill here, go to conference with the House, and give farmers and their lenders and others some certainty by the end of this year about what the rules will be, what the farm program will be as they begin to think about getting into the fields in the spring. They are already planning for spring planting, and they need to understand what the rules are.

This is a very important debate. I congratulate and say to my colleagues: You have done a good job. It has been bipartisan. I, like my colleague from Iowa, Senator GRASSLEY, believe we can improve it in a couple of places. I believe we can do that, but I support this bill.

I want to try to give some description to what this is about. It is not just about statistics. It is not just about theory. It is about people who populate this country, living out on the land by themselves, under a yard light, trying to raise a family, trying to raise a crop, risking everything. They are called family farmers and ranchers. In most cases, they live out in the country alone. It is them against the odds. They are having to confront uncertain weather, uncertain commodity prices, and uncertain international events that can affect whether they can make a living or not—all of these things.

We are here in suits and ties, and we debate. What a wonderful thing. Unlike us, the farmers take a shower after work. We take a shower before work, and then we put on a suit and tie. But the family farmers in this country, in most cases they get up and do chores. They say it is doing chores—5, 6 in the morning, get up, get out, and get busy. They work hard all day, and they are out there by themselves. They are a sole proprietor running their own business, living under a yard light, hoping things go well. They plant a crop; they plant a seed in the ground. They hope it will grow. Maybe it will. They hope they don't get too much rain. They hope they get enough rain. They hope if the seed grows it doesn't develop some sort of plant disease. They hope it doesn't hail, and they hope at some point they will be able to harvest it. And when they harvest it, they hope there will be a price at the elevator that gives them half a shot at making a profit.

These are all hopes. The only way a farmer can live is on hope—hope that things will be better, hope that tomorrow is going to be better. These are families who live on hope.

This piece of legislation, this farm bill, gives those families some assurance, a safety net, to get them over difficult times.

When price swings move up and down, this safety net is a bridge over those price valleys that say to family farmers: We think you matter to this country. We think the fact that you exist makes a difference. We think the fact that families produce America's food makes a difference to this country.

Now, family farms produce a lot more than crops. They also produce communities. I come from one of those communities, 300 people. The arteries that fed life into that small community were the family farmers all around it. On Saturday nights, you could not find a parking place on Main Street because family farmers came to town to talk about the weather, talk about the crops, visit with neighbors. It is what a rural lifestyle is about. It is about producing communities.

An author named Critchfield once described family values in America. He said: Family farms are the very seedbed of family values.

And those family values roll from the family farms to small towns to big towns to nurture and refresh the value system of this country.

There is a poet in North Dakota who is a farmer and rancher named Rodney Nelson. Rodney wrote a piece that asked, plaintively: What is it worth? It says exactly what should be said here. He asked this question: What is it worth for a kid to know how to plow a field? What is it worth for a kid to know how to grease a combine? What is it worth for a kid to know how to pour cement? What is it worth for a kid to know how to weld a seam? What is it worth for a kid to know how to build a lean-to? What is it worth? He said: All of those skills you learn on the family farm. It is the only university in our country where they teach all of those skills. What is it worth to the country, he asks?

It is a good question. I hope the answer is rooted in a farm bill that says to those family farms: We want you to have a chance to continue because we think you add great value to our country, to our culture.

There are many who do not have the foggiest notion of what family farming is about. I remember I took a Congressman with me from the east coast to come to North Dakota on a trip some while ago. We went to North Dakota, and one of the stops was at a dairy barn, George Doll's dairy barn, north of New Salem, ND.

We stood in that dairy barn with the soft light of the late afternoon coming through the boards on that barn. The cattle came in to be milked. The milk cows came in and went to their assigned stanchions, and George Doll and his wife began milking 80 cows.

And my colleague from the east coast, in a blue pin-striped suit, observed this standing in that dairy barn, and realized this is a lot of work. So, finally, he said to me: How often do they do this, BYRON?

I said: Well, they do this twice a day. They do this in the morning and again in the evening.

I said to George: What time do you get up?

He said: We start about 5 in the morning, then we do it about 5 in the evening.

Then he watched for a while more and then he said to George, he said:



George, do you have to do this on weekends?

He did not know you milk cows 7 days a week, twice a day. He did not know that. There would have been no reason to know that milk comes from anywhere but a carton, unless you go to a farm that is milking cows and see what kind of work it is.

So it seems to me there is much to be said about the value system, in talking about family farming.

Now, I wish to make one other point. Some talk about agriculture. I prefer to talk about family farming. If this is not about family farms, we do not need the bill. We would have probably separate pieces of legislation dealing with nutrition and so on, food stamps.

But it seems to me the question of a safety net is almost exclusively the question: Do we want to try to help family farmers through tough times? The big corporate agrifactories, they can make it through tough times. If you have a real tough time, price depressions and other things, the big corporate agrifactories, they can make it through there, but the family farms get washed away. So we developed instead a safety net. That safety net is rooted in the legislation before us, which incidentally I think improves the safety net.

That is why I like this bill. It also includes a disaster title. That is why I like this bill. I think it was important to do. I had included a separate piece of legislation calling for a disaster title. I am very pleased this bill contains a disaster title.

Now, my colleague from Iowa indicated he felt there should be some additional reform, as do I, so we will offer, perhaps tomorrow or perhaps a day later, a piece of legislation that will provide some further limitations on payments.

Why would we do that? Because I worry what is going to happen is we are going to erode the support for the farm program if we do not provide the reforms and changes that are necessary. One of those reforms, and part of that change is payment limitations, so that we are structuring this to try to provide the most help to family-sized farms.

I do not have anything against big corporate agrifactories. If they want to farm two or three counties, God bless them. But I do not think the Federal Government has a responsibility to be their banker. They are big enough to be a big corporate agrifactory, and they have got the financial strength to get through tough times.

We ought to provide a safety net to help those families through tough times to stay on the land. So the proposal we offer is a proposal that does say a couple of important things: One, there is a payment limitation of \$250,000, a hard cap.

I will admit the piece of legislation that has come to the floor of the Senate includes some significant improvements. It eliminates the three entity

rule, which is a significant reform. It has an adjusted gross income requirement, of sorts. So it does make some progress in a couple of areas. But it does not, for example, cap payments for all of the payments. It has been said that the committee bill caps payments at \$200,000.

But it leaves out the LDP, the marketing loan, or loan deficiency payment. Because it exempts marketing loans and makes them unlimited, every single bushel of commodity in America has effectively an unlimited price support.

Well, there needs to be a limitation on that, on the direct payment, the countercyclical payment, and the marketing loan, which produces an LDP. There ought to be a limitation.

Second, it seems to me reasonable that we would limit farm program payments to those who are actively involved in farming. That ought not be radical. An arts patron from San Francisco, I will not use her name, but a patron of the arts in San Francisco gets \$1.2 million in support payments over three years. An arts patron who has nothing to do with farming, her grandfather had something to do with farming, but she does not, she collects \$1.2 million from the farm program.

Is that sort of thing going to ruin the reputation of the farm program at some point? I think it will. Another related problem is what they call cowboy starter kits. They have a situation in rice country where, going back to 1985, if you grew rice on the land, you now own that land, and it is still rural land, you do not have to produce rice for a quarter century, you get a farm program payment. You do not have to be a farmer to get the payment.

In Texas, north of Houston, they were selling cowboy starter kits. Ten acres of land, put a house on 1 acre, run a horse on 9 acres. You have never farmed, you do not have to farm, and you have 9 acres you can get farm program price supports because they grew rice on it 20 years ago. That is not justifiable.

One of the ways to shut that done, of course, very simply and very effectively, is to say: If you are going to get benefits, you have to have some real tangible connection to farming.

So my colleague, Senator GRASSLEY, and I will offer an amendment that is very simple. It is not an amendment that is attempting to undo this important piece of legislation, it is an attempt to improve it and improve it in a way that will give it even more credibility.

A payment limitation of \$250,000 and a requirement that you have active involvement in farming if you are going to get a farm program benefit. So that is what we would intend to do. My hope is that working with Senator HARKIN and Senator CHAMBLISS, we will be able to offer that, perhaps tomorrow.

I would be willing to come in the morning, and with my colleague, if he is available, I see he is still on the

floor, and perhaps we can reach agreement, offer an amendment, and have that debate.

At any rate, it is my hope to be helpful to both the chairman and ranking member to move this legislation. We are going to have a couple of these discussions where there will be disagreement, we will have a vote, we will see what the view of the Senate is. But I want this piece of legislation to be done. I would like to improve it some. But I give this bill good marks. I am going to be a supporter on the floor of the Senate, working to try to get this through the Senate, get it passed, get it to conference so we can tell family farmers: Here is what we are going to do. Here are the rules.

I might say, finally, I hope when we have completed our work, I hope the President will be supportive as well. That is another part of this process. I know many are working with the President for that support.

As I have indicated earlier, I know there are thousands, tens of thousands, hundreds of thousands of farmers out around the country waiting for an answer. What will the farm program be as they begin to think about getting into the fields next spring? They can hardly wait. That is the nature of being a farmer.

I mean they want to get on a tractor, they want to get moving, they want to plant some seeds, they want to buy some cattle. That is the way it is because they live on hope.

My expectation is we can give them much greater hope if we pass a piece of legislation that says to them: This country wants to invest in your future. If you are a farmer living out there alone, trying to raise a crop and a family and you run through a tough patch, you run through some tough times, we want to help you.

The farm bill says to those farmers: You are not alone. This country believes in the merit and value of having a network of family farms populating this country, producing food for a hungry country.

Having said all that, let me again thank my colleagues for the bill they have produced. I look forward to being here tomorrow with my colleague, Senator GRASSLEY, and offering an amendment. Then further, working this week, perhaps by the end of this week or at least into next week, to get this piece of legislation through and get a final vote on it.

I yield the floor.

THE PRESIDING OFFICER. The Senator from Iowa.

MR. GRASSLEY. Mr. President, I ask unanimous consent to speak for 10 minutes as in morning business.

THE PRESIDING OFFICER. Without objection, it is so ordered.

#### IMMIGRATION REFORM

MR. GRASSLEY. Mr. President, earlier this year, the Senate tried to solve the very complex and emotional issue